

# Exhibit A-2

- a. \$2,500 for furs, fur garments and garments trimmed with fur.
- b. \$2,500 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$100 or less per item.
- c. \$2,500 for patterns, dies, molds and forms.
- d. \$250 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

These special limits are part of, not in addition to, the Limit of Insurance applicable to the Covered Property.

This limitation, C.3., does not apply to Business Income Coverage or to Extra Expense Coverage.

- 4. We will not pay the cost to repair any defect to a system or appliance from which water, other liquid, powder or molten material escapes. But we will pay the cost to repair or replace damaged parts of fire-extinguishing equipment if the damage:
  - a. Results in discharge of any substance from an automatic fire protection system; or
  - b. Is directly caused by freezing.

However, this limitation does not apply to Business Income Coverage or to Extra Expense Coverage.

#### **D. Additional Coverage - Collapse**

The coverage provided under this Additional Coverage - Collapse applies only to an abrupt collapse as described and limited in D.1. through D.7.

- 1. For the purpose of this Additional Coverage - Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.
- 2. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this Coverage Form or that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:
  - a. Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;

- b. Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- c. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.
- d. Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:
  - (1) A cause of loss listed in 2.a. or 2.b.;
  - (2) One or more of the "specified causes of loss";
  - (3) Breakage of building glass;
  - (4) Weight of people or personal property; or
  - (5) Weight of rain that collects on a roof.

#### **3. This Additional Coverage - Collapse does not apply to:**

- a. A building or any part of a building that is in danger of falling down or caving in;
- b. A part of a building that is standing, even if it has separated from another part of the building; or
- c. A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.

#### **4. With respect to the following property:**

- a. Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers;
- b. Awnings, gutters and downspouts;
- c. Yard fixtures;
- d. Outdoor swimming pools;
- e. Fences;
- f. Piers, wharves and docks;
- g. Beach or diving platforms or appurtenances;
- h. Retaining walls; and
- i. Walks, roadways and other paved surfaces;

if an abrupt collapse is caused by a cause of loss listed in 2.a. through 2.d., we will pay for loss or damage to that property only if:

- (1) Such loss or damage is a direct result of the abrupt collapse of a building insured under this Coverage Form; and
  - (2) The property is Covered Property under this Coverage Form.
5. If personal property abruptly falls down or caves in and such collapse is not the result of abrupt collapse of a building, we will pay for loss or damage to Covered Property caused by such collapse of personal property only if:
- a. The collapse of personal property was caused by a cause of loss listed in 2.a. through 2.d.;
  - b. The personal property which collapses is inside a building; and
  - c. The property which collapses is not of a kind listed in 4., regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this Paragraph 5. does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by the collapse.

6. This Additional Coverage - Collapse does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
  7. This Additional Coverage - Collapse will not increase the Limits of Insurance provided in this Coverage Part.
  8. The term Covered Cause of Loss includes the Additional Coverage - Collapse as described and limited in D.1. through D.7.
- E. Additional Coverage - Limited Coverage For "Fungus", Wet Rot, Dry Rot And Bacteria**
1. The coverage described in E.2. and E.6. only applies when the "fungus", wet or dry rot or bacteria is the result of one or more of the following causes that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.
    - a. A "specified cause of loss" other than fire or lightning; or
    - b. Flood, if the Flood Coverage Endorsement applies to the affected premises.

2. We will pay for loss or damage by "fungus", wet or dry rot or bacteria. As used in this Limited Coverage, the term loss or damage means:

- a. Direct physical loss or damage to Covered Property caused by "fungus", wet or dry rot or bacteria, including the cost of removal of the "fungus", wet or dry rot or bacteria;
- b. The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungus", wet or dry rot or bacteria; and
- c. The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungus", wet or dry rot or bacteria are present.

3. The coverage described under E.2. of this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) and Flood which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungus", wet or dry rot or bacteria, we will not pay more than a total of \$15,000 even if the "fungus", wet or dry rot or bacteria continues to be present or active, or recurs, in a later policy period.
4. The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungus", wet or dry rot or bacteria, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by "fungus", wet or dry rot or bacteria, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungus", wet or dry rot or bacteria causes an increase in the loss. Any such increase in the loss will be subject to the terms of this Limited Coverage.

5. The terms of this Limited Coverage do not increase or reduce the coverage provided under Paragraph F.2. (Water Damage, Other Liquids, Powder Or Molten Material Damage) of this Causes Of Loss Form or under the Additional Coverage - Collapse.

6. The following, 6.a. or 6.b., applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the "suspension" of "operations" satisfies all terms and conditions of the applicable Business Income and/or Extra Expense Coverage Form.

- a. If the loss which resulted in "fungus", wet or dry rot or bacteria does not in itself necessitate a "suspension" of "operations", but such "suspension" is necessary due to loss or damage to property caused by "fungus", wet or dry rot or bacteria, then our payment under Business Income and/or Extra Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.
- b. If a covered "suspension" of "operations" was caused by loss or damage other than "fungus", wet or dry rot or bacteria but remediation of "fungus", wet or dry rot or bacteria prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

#### F. Additional Coverage Extensions

##### 1. Property In Transit

This Extension applies only to your personal property to which this form applies.

- a. You may extend the insurance provided by this Coverage Part to apply to your personal property (other than property in the care, custody or control of your salespersons) in transit more than 100 feet from the described premises. Property must be in or on a motor vehicle you own, lease or operate while between points in the coverage territory.
- b. Loss or damage must be caused by or result from one of the following causes of loss:
  - (1) Fire, lightning, explosion, wind-storm or hail, riot or civil commotion, or vandalism.
  - (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the roadbed.

- (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry.

- c. The most we will pay for loss or damage under this Extension is \$5,000.

This Coverage Extension is additional insurance. The Additional Condition, Coinsurance, does not apply to this Extension.

##### 2. Water Damage, Other Liquids, Powder Or Molten Material Damage

If loss or damage caused by or resulting from covered water or other liquid, powder or molten material damage loss occurs, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes. This Coverage Extension does not increase the Limit of Insurance.

##### 3. Glass

- a. We will pay for expenses incurred to put up temporary plates or board up openings if repair or replacement of damaged glass is delayed.
- b. We will pay for expenses incurred to remove or replace obstructions when repairing or replacing glass that is part of a building. This does not include removing or replacing window displays.

This Coverage Extension, F.3., does not increase the Limit of Insurance.

#### G. Definitions

- 1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- 2. "Specified causes of loss" means the following: fire; lightning; explosion; wind-storm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.
  - a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:



- (1) The cost of filling sinkholes; or
  - (2) Sinking or collapse of land into man-made underground cavities.
- b. Falling objects does not include loss or damage to:
  - (1) Personal property in the open; or
  - (2) The interior of a building or structure, or property inside a building or structure, unless the

roof or an outside wall of the building or structure is first damaged by a falling object.

- c. Water damage means accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of a plumbing, heating, air conditioning or other system or appliance (other than a sump system including its related equipment and parts), that is located on the described premises and contains water or steam.

**BUILDING AND PERSONAL PROPERTY COVERAGE FORM**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section H., **Definitions**.

**A. Coverage**

We will pay for direct physical loss of or damage to Covered Property at the premises described in the Declarations caused by or resulting from any Covered Cause of Loss.

**1. Covered Property**

Covered Property, as used in this Coverage Part, means the type of property described in this section, **A.1.**, and limited in **A.2.**, Property Not Covered, if a Limit of Insurance is shown in the Declarations for that type of property.

**a. Building**, meaning the building or structure described in the Declarations, including:

- (1) Completed additions;
- (2) Fixtures, including outdoor fixtures;
- (3) Permanently installed:
  - (a) Machinery and
  - (b) Equipment;
- (4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
  - (a) Fire-extinguishing equipment;
  - (b) Outdoor furniture;
  - (c) Floor coverings; and
  - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering;
- (5) If not covered by other insurance:
  - (a) Additions under construction, alterations and repairs to the building or structure;
  - (b) Materials, equipment, supplies and temporary struc-

tures, on or within 100 feet of the described premises, used for making additions, alterations or repairs to the building or structure.

**b. Your Business Personal Property** located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises, consisting of the following unless otherwise specified in the Declarations or on the Your Business Personal Property - Separation Of Coverage form:

- (1) Furniture and fixtures;
- (2) Machinery and equipment;
- (3) "Stock";
- (4) All other personal property owned by you and used in your business;
- (5) Labor, materials or services furnished or arranged by you on personal property of others;
- (6) Your use interest as tenant in improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
  - (a) Made a part of the building or structure you occupy but do not own; and
  - (b) You acquired or made at your expense but cannot legally remove;
- (7) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under Personal Property Of Others.

**c. Personal Property Of Others** that is:

- (1) In your care, custody or control; and

- (2) Located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

However, our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

## 2. Property Not Covered

Covered Property does not include:

- a. Accounts, bills, currency, deeds, food stamps or other evidences of debt, money, notes or securities. Lottery tickets held for sale are not securities;
- b. Animals, unless owned by others and boarded by you, or if owned by you, only as "stock" while inside of buildings;
- c. Automobiles held for sale;
- d. Bridges, roadways, walks, patios or other paved surfaces;
- e. Contraband, or property in the course of illegal transportation or trade;
- f. The cost of excavations, grading, backfilling or filling;
- g. Foundations of buildings, structures, machinery or boilers if their foundations are below:
  - (1) The lowest basement floor; or
  - (2) The surface of the ground, if there is no basement;
- h. Land (including land on which the property is located), water, growing crops or lawns;
- i. Personal property while airborne or waterborne;
- j. Bulkheads, pilings, piers, wharves or docks;
- k. Property that is covered under another coverage form of this or any other policy in which it is more specifically described, except for the excess of the amount due (whether you can collect on it or not) from that other insurance;
- l. Retaining walls that are not part of a building;
- m. Underground pipes, flues or drains;

- n. Electronic data, except as provided under the Additional Coverage - Electronic Data. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enables the computer or device connected to receive, process, store, retrieve or send data. This paragraph, n., does not apply to your "stock" of prepackaged software;

- o. The cost to replace or restore the information on valuable papers and records, including those which exist as electronic data. Valuable papers and records include but are not limited to proprietary information, books of account, deeds, manuscripts, abstracts, drawings and card index systems. Refer to the Coverage Extension for Valuable Papers And Records (Other Than Electronic Data) for limited coverage for valuable papers and records other than those which exist as electronic data;
- p. Vehicles or self-propelled machines (including aircraft or watercraft) that:
  - (1) Are licensed for use on public roads; or
  - (2) Are operated principally away from the described premises.

This paragraph does not apply to:

- (a) Vehicles or self-propelled machines or autos you manufacture, process or warehouse;
- (b) Vehicles or self-propelled machines, other than autos, you hold for sale;
- (c) Rowboats or canoes out of water at the described premises; or
- (d) Trailers, but only to the extent provided for in the Coverage Extension for Non-owned Detached Trailers

- q. The following property while outside of buildings:

- (1) Grain, hay, straw or other crops;
- (2) Fences, radio or television antennas (including satellite dishes) and their lead-in wiring, masts or towers, trees, shrubs or plants (other than "stock" of trees, shrubs or plants), all except as provided in the Coverage Extensions.

### 3. Covered Causes Of Loss

See applicable Causes Of Loss Form as shown in the Declarations.

### 4. Additional Coverages

#### a. Debris Removal

- (1) Subject to Paragraphs (3) and (4), we will pay your expense to remove debris of Covered Property caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
- (2) Debris removal does not apply to costs to:
  - (a) Extract "pollutants" from land or water; or
  - (b) Remove, restore or replace polluted land or water.
- (3) Subject to the exceptions in Paragraph (4), the following provisions apply:
  - (a) The most we will pay for the total of direct physical loss or damage plus debris removal expense is the Limit of Insurance applicable to the Covered Property that has sustained loss or damage.
  - (b) Subject to (a) above, the amount we will pay for debris removal expense is limited to 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

- (4) We will pay up to an additional \$10,000 for debris removal expense, for each location, in any one occurrence of physical loss or damage to Covered Property, if one or both of the following circumstances apply:

- (a) The total of the actual debris removal expense plus the amount we pay for direct physical loss or damage exceeds the Limit of Insurance on the Covered Property that has sustained loss or damage.
- (b) The actual debris removal expense exceeds 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

Therefore, if (4)(a) and/or (4)(b) apply, our total payment for direct physical loss or damage and debris removal expense may reach but will never exceed the Limit of Insurance on the Covered Property that has sustained loss or damage, plus \$10,000.

#### (5) Examples

The following examples assume that there is no Coinsurance penalty.

##### Example #1

|                                |                               |
|--------------------------------|-------------------------------|
| Limit of Insurance             | \$ 90,000                     |
| Amount of Deductible           | \$ 500                        |
| Amount of Loss                 | \$ 50,000                     |
| Amount of Loss Payable         | \$ 49,500                     |
|                                | (\$50,000 - \$500)            |
| Debris Removal Expense         | \$ 10,000                     |
| Debris Removal Expense Payable | \$ 10,000                     |
|                                | (\$10,000 is 20% of \$50,000) |

The debris removal expense is less than 25% of the sum of the loss payable plus the deductible. The sum of the loss payable and the debris removal expense (\$49,500 + \$10,000 = \$59,500) is less than the Limit of Insurance. Therefore the full amount of debris removal expense is payable in accordance with the terms of Paragraph (3).

**Example #2**

|                                |                    |
|--------------------------------|--------------------|
| Limit of Insurance             | \$ 90,000          |
| Amount of Deductible           | \$ 500             |
| Amount of Loss                 | \$ 80,000          |
| Amount of Loss Payable         | \$ 79,500          |
|                                | (\$80,000 - \$500) |
| Debris Removal Expense         | \$ 30,000          |
| Debris Removal Expense Payable |                    |
| Basic Amount                   | \$ 10,500          |
| Additional Amount              | \$ 10,000          |

The basic amount payable for debris removal expense under the terms of Paragraph (3) is calculated as follows:  $\$80,000 (\$79,500 + \$500) \times .25 = \$20,000$ ; capped at \$10,500. The cap applies because the sum of the loss payable (\$79,500) and the basic amount payable for debris removal expense (\$10,500) cannot exceed the Limit of Insurance (\$90,000).

The additional amount payable for debris removal expense is provided in accordance with the terms of Paragraph (4), because the debris removal expense (\$30,000) exceeds 25% of the loss payable plus the deductible (\$30,000 is 37.5% of \$80,000), and because the sum of the loss payable and debris removal expense ( $\$79,500 + \$30,000 = \$109,500$ ) would exceed the Limit of Insurance (\$90,000). The additional amount of covered debris removal expense is \$10,000, the maximum payable under Paragraph (4). Thus the total payable for debris removal expense in this example is \$20,500; \$9,500 of the debris removal expense is not covered.

**b. Preservation of Property**

If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss or damage to that property:

- (1) While it is being moved or while temporarily stored at another location; and
- (2) Only if the loss or damage occurs within 30 days after the property is first moved.

**c. Fire Department Service Charge**

When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$1,000 unless a higher limit is shown in the Declarations, for your liability for fire department service charges:

- (1) Assumed by contract or agreement prior to loss; or
- (2) Required by local ordinance.

No Deductible applies to this Additional Coverage.

**d. Pollutant Clean-up And Removal**

We will pay your expense to extract "pollutants" from land or water at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date on which the Covered Cause of Loss occurs.

This Additional Coverage does not apply to costs to test for, monitor or assess the existence, concentration or effects of "pollutants". But we will pay for testing which is performed in the course of extracting the "pollutants" from the land or water.

The most we will pay under this Additional Coverage for each described premises is \$10,000 for the sum of all covered expenses arising out of Covered Causes of Loss occurring during each separate 12-month period of this policy.

**e. Increased Cost Of Construction**

- (1) This Additional Coverage applies only to buildings to which the Replacement Cost Optional Coverage applies.
- (2) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with enforcement of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in e.(3) through e.(9) of this Additional Coverage.

- (3) The ordinance or law referred to in e.(2) of this Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises, and is in force at the time of loss.
- (4) Under this Additional Coverage, we will not pay any costs due to an ordinance or law that:
- (a) You were required to comply with before the loss, even when the building was undamaged; and
  - (b) You failed to comply with.
- (5) Under this Additional Coverage, we will not pay for:
- (a) The enforcement of any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
  - (b) Any costs associated with the enforcement of an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.
- (6) The most we will pay under this Additional Coverage, for each described building insured under this Coverage Form, is \$10,000 or 5% of the Limit of Insurance applicable to that building, whichever is less. If a damaged building is covered under a blanket Limit of Insurance which applies to more than one building or item of property, then the most we will pay under this Additional Coverage, for that damaged building, is the lesser of : \$10,000 or 5% times the value of the damaged building as of the time of loss times the applicable Coinsurance percentage.

The amount payable under this Additional Coverage is additional insurance.

- (7) With respect to this Additional Coverage:
- (a) We will not pay for the Increased Cost of Construction:
    - (i) Until the property is actually repaired or replaced, at the same or another premises; and
    - (ii) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
  - (b) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of e.(6) of this Additional Coverage, is the increased cost of construction at the same premises.
  - (c) If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction, subject to the provisions of e.(6) of this Additional Coverage, is the increased cost of construction at the new premises.
- (8) This Additional Coverage is not subject to the terms of the Ordinance Or Law Exclusion, to the extent that such Exclusion would conflict with the provisions of this Additional Coverage.
- (9) The costs addressed in the Loss Payment and Valuation Conditions, and the Replacement Cost Optional Coverage, in this Coverage Form, do not include the increased cost attributable to enforcement of an ordinance or law. The amount payable under this Additional Coverage, as stated in e.(6) of this Additional Coverage, is not subject to such limitation.



**f. Electronic Data**

- (1) Under this Additional Coverage, electronic data has the meaning described under Property Not Covered, - Electronic Data.
- (2) Subject to the provisions of this Additional Coverage, we will pay for the cost to replace or restore electronic data which has been destroyed or corrupted by a Covered Cause of Loss. To the extent electronic data is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the electronic data was stored, with blank media of substantially identical type.
- (3) The Covered Causes of Loss applicable to Your Business Personal Property apply to this Additional Coverage, - Electronic Data, subject to the following:
  - (a) If the Causes of Loss - Special Form applies, coverage under this Additional Coverage, - Electronic Data is limited to the "specified causes of loss" as defined in that Form, and Collapse as set forth in that Form.
  - (b) If the Causes of Loss - Broad Form applies, coverage under this Additional Coverage, - Electronic Data includes Collapse as set forth in that Form.
  - (c) If the Causes of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage, - Electronic Data.
  - (d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from manipulation of a computer system

(including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, modify, maintain, repair or replace that system.

- (4) The most we will pay under this Additional Coverage, - Electronic Data is \$2,500 for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or number of premises, locations or computer systems involved. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in but not after the policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.

**5. Coverage Extensions**

Except as otherwise provided, the following Extensions apply to property located in or on the building described in the Declarations or in the open (or in a vehicle) within 100 feet of the described premises.

If a Coinsurance percentage of 80% or more or, a Value Reporting period symbol, is shown in the Declarations, you may extend the insurance provided by this Coverage Part as follows:

**a. Newly Acquired Or Constructed Property****(1) Buildings**

If this policy covers Buildings, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at locations, other than the described premises, intended for:
  - (i) Similar use as the building described in the Declarations; or
  - (ii) Use as a warehouse.

The most we will pay for loss or damage under this Extension is \$250,000 at each building.

**(2) Your Business Personal Property**

(a) If this policy covers Your Business Personal Property, you may extend that insurance to apply to:

(i) Business personal property, including such property that you newly acquire, at any location you acquire other than at fairs, trade shows or exhibitions;

(ii) Business personal property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the location described in the Declarations; or

(iii) Business personal property that you newly acquire, located at the described premises.

The most we will pay for loss or damage under this Extension is \$100,000 at each building.

(b) This Extension does not apply to:

(i) Personal property of others that is temporarily in your possession in the course of installing or performing work on such property; or

(ii) Personal property of others that is temporarily in your possession in the course of your manufacturing or wholesaling activities.

**(3) Period Of Coverage**

With respect to insurance on or at each newly acquired or constructed property, coverage will end when any of the following first occurs:

(a) This policy expires;

(b) 30 days after you acquire the property or begin construction of that part of the building that would qualify as covered property; or

(c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

**b. Personal Effects And Property Of Others**

You may extend the insurance that applies to Your Business Personal Property to apply to:

(1) Personal effects owned by you, your officers, your partners or members, your managers or your employees. This Extension does not apply to loss or damage by theft.

(2) Personal property of others in your care, custody or control.

The most we will pay for loss or damage under this Extension is \$2,500 at each described premises. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

**c. Valuable Papers And Records (Other Than Electronic Data)**

(1) You may extend the insurance that applies to Your Business Personal Property to apply to the cost to replace or restore the lost information on valuable papers and records for which duplicates do not exist. But this Extension does not apply to valuable papers and records which exist as electronic data. Electronic data has the meaning described under Property Not Covered, - Electronic Data.

(2) If the Causes of Loss - Special Form applies, coverage under this Extension is limited to the "specified causes of loss" as defined in that Form, and Collapse as set forth in that Form.

(3) If the Causes of Loss - Broad Form applies, coverage under this Extension includes Collapse as set forth in that Form.

- (4) Under this Extension, the most we will pay to replace or restore the lost information is \$2,500 at each described premises, unless a higher limit is shown in the Declarations. Such amount is additional insurance. We will also pay for the cost of blank material for reproducing the records (whether or not duplicates exist), and (when there is a duplicate) for the cost of labor to transcribe or copy the records. The costs of blank material and labor are subject to the applicable Limit of Insurance on Your Business Personal Property and therefore coverage of such costs is not additional insurance.

**d. Property Off-premises**

- (1) You may extend the insurance provided by this Coverage Form to apply to your Covered Property while it is away from the described premises, if it is:
- (a) Temporarily at a location you do not own, lease or operate;
  - (b) In storage at a location you lease, provided the lease was executed after the beginning of the current policy term; or
  - (c) At any fair, trade show or exhibition.
- (2) This Extension does not apply to property:
- (a) In or on a vehicle; or
  - (b) In the care, custody or control of your salespersons, unless the property is in such care, custody or control at a fair, trade show or exhibition.
- (3) The most we will pay for loss or damage under this Extension is \$10,000.

**e. Outdoor Property**

You may extend the insurance provided by this Coverage Form to apply to your outdoor fences, radio and television antennas (including satellite dishes), trees, shrubs and plants (other than "stock" of trees, shrubs or plants), including debris removal expense, caused by or resulting from any of the following causes of

loss if they are Covered Causes of Loss:

- (1) Fire;
- (2) Lightning;
- (3) Explosion;
- (4) Riot or Civil Commotion; or
- (5) Aircraft.

The most we will pay for loss or damage under this Extension is \$1,000, but not more than \$250 for any one tree, shrub or plant. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

**f. Non-owned Detached Trailers**

- (1) You may extend the insurance that applies to Your Business Personal Property to apply to loss or damage to trailers that you do not own, provided that:
- (a) The trailer is used in your business;
  - (b) The trailer is in your care, custody or control at the premises described in the Declarations; and
  - (c) You have a contractual responsibility to pay for loss or damage to the trailer.
- (2) We will not pay for any loss or damage that occurs:
- (a) While the trailer is attached to any motor vehicle or motorized conveyance, whether or not the motor vehicle or motorized conveyance is in motion;
  - (b) During hitching or unhitching operations, or when a trailer becomes accidentally unhitched from a motor vehicle or motorized land conveyance.
- (3) The most we will pay for loss or damage under this Extension is \$5,000, unless a higher limit is shown in the Declarations.
- (4) This insurance is excess over the amount due (whether you can collect on it or not) from any other insurance covering such property.

Each of these Extensions is additional insurance unless otherwise indicated. The Additional Condition, Coinsurance, does not apply to these Extensions.

**B. Exclusions And Limitations**

See applicable Causes Of Loss Form as shown in the Declarations.

**C. Limits Of Insurance**

The most we will pay for loss or damage in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to the building, is \$2,500 per sign in any one occurrence.

The amounts of insurance stated in the following Additional Coverages apply in accordance with the terms of such coverages and are separate from the Limit(s) of Insurance shown in the Declarations for any other coverage:

1. Fire Department Service Charge;
2. Pollutant Clean-up And Removal;
3. Increased Cost of construction; and
4. Electronic Data.

Payments under the Preservation Of Property Additional Coverage will not increase the applicable Limit of Insurance.

**D. Deductible**

In any one occurrence of loss or damage (herein-after referred to as loss), we will first reduce the amount of loss if required by the Coinsurance Condition or the Agreed Value Optional Coverage. If the adjusted amount of loss is less than or equal to the Deductible, we will not pay for that loss. If the adjusted amount of loss exceeds the Deductible, we will then subtract the Deductible from the adjusted amount of loss, and will pay the resulting amount or the Limit of Insurance, whichever is less.

When the occurrence involves loss to more than one item of Covered Property and separate Limits of Insurance apply, the losses will not be combined in determining application of the Deductible. But the Deductible will be applied only once per occurrence.

**EXAMPLE #1**

(This example assumes there is no Coinsurance penalty.)

|                                   |          |
|-----------------------------------|----------|
| Deductible:                       | \$250    |
| Limit of Insurance - Building #1: | \$60,000 |
| Limit of Insurance - Building #2: | \$80,000 |
| Loss to Building #1:              | \$60,100 |
| Loss to Building #2:              | \$90,000 |

The amount of loss to Building #1 (\$60,100) is less than the sum (\$60,250) of the Limit of In-

surance applicable to Building #1 plus the Deductible.

The Deductible will be subtracted from the amount of loss in calculating the loss payable for Building #1:

$$\begin{array}{r} \$60,100 \\ - \quad 250 \\ \hline \$59,850 \text{ Loss Payable - Building \#1} \end{array}$$

The Deductible applies once per occurrence and therefore is not subtracted in determining the amount of loss payable for Building #2. Loss payable for Building #2 is the Limit of Insurance of \$80,000.

$$\text{Total amount of loss payable: } \$59,850 + \$80,000 = \$139,850$$

**EXAMPLE #2**

(This example, too, assumes there is no Coinsurance penalty.)

The Deductible and Limits of Insurance are the same as those in Example #1.

|  |           |
|--|-----------|
| Loss to Building #1:                         | \$ 70,000 |
| (exceeds Limit of Insurance plus Deductible) |           |
| Loss to Building #2:                         | \$ 90,000 |
| (exceeds Limit of Insurance plus Deductible) |           |
| Loss Payable - Building #1:                  | \$ 60,000 |
| (Limit of Insurance)                         |           |
| Loss Payable - Building #2:                  | \$ 80,000 |
| (Limit of Insurance)                         |           |
| Total amount of loss payable:                | \$140,000 |

**E. Loss Conditions**

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

**1. Abandonment**

There can be no abandonment of any property to us.

**2. Appraisal**

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and

- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

### 3. Duties In The Event Of Loss Or Damage

- a. You must see that the following are done in the event of loss or damage to Covered Property:
- (1) Notify the police if a law may have been broken.
  - (2) Give us prompt notice of the loss or damage. Include a description of the property involved.
  - (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
  - (4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.
  - (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values and amount of loss claimed.
  - (6) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.  
  
Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
  - (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
  - (8) Cooperate with us in the investigation or settlement of the claim.

- b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

### 4. Loss Payment

- a. In the event of loss or damage covered by this Coverage Form, at our option, we will either:
- (1) Pay the value of lost or damaged property;
  - (2) Pay the cost of repairing or replacing the lost or damaged property, subject to b. below;
  - (3) Take all or any part of the property at an agreed or appraised value; or
  - (4) Repair, rebuild or replace the property with other property of like kind and quality, subject to b. below.

We will determine the value of lost or damaged property, or the cost of its repair or replacement, in accordance with the applicable terms of the Valuation Condition in this Coverage Form or any applicable provision which amends or supersedes the Valuation Condition.

- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.
- c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
- d. We will not pay you more than your financial interest in the Covered Property.
- e. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- f. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.



- g. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, if you have complied with all of the terms of this Coverage Part and:

- (1) We have reached agreement with you on the amount of loss; or
- (2) An appraisal award has been made.

- h. A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance, the Valuation and Coinsurance Conditions and all other provisions of this loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

## 5. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

## 6. Vacancy

### a. Description Of Terms

- (1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1)(a) and (1)(b) below:
  - (a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to

the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

- (b) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:

- (i) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or
- (ii) Used by the building owner to conduct customary operations.

- (2) Buildings under construction or renovation are not considered vacant.

## b. Vacancy Provisions

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage occurs:

- (1) We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:
  - (a) Vandalism;
  - (b) Sprinkler leakage, unless you have protected the system against freezing;
  - (c) Building glass breakage;
  - (d) Water damage;
  - (e) Theft; or
  - (f) Attempted theft.
- (2) With respect to Covered Causes of Loss other than those listed in b.(1)(a) through b.(1)(f) above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

## 7. Valuation

We will determine the value of Covered Property in the event of loss or damage as follows:

- a. At actual cash value as of the time of loss or damage, except as provided in b., c., d., e. and f. below.



- b. If the Limit of Insurance for Building satisfies the Additional Condition; Coinsurance, and the cost to repair or replace the damaged building property is \$2,500 or less, we will pay the cost of building repairs or replacement.

The cost of building repairs or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

However, the following property will be valued at the actual cash value even when attached to the building:

- (1) Awnings or floor coverings;
  - (2) Appliances for refrigerating, ventilating, cooking, dishwashing or laundering; or
  - (3) Outdoor equipment or furniture.
- c. "Stock" you have sold but not delivered at the selling price less discounts and expenses you otherwise would have had.
- d. Glass at the cost of replacement with safety-glazing material if required by law.
- e. Tenant's Improvements and Betterments at:
- (1) Actual cash value of the lost or damaged property if you make repairs promptly.
  - (2) A proportion of your original cost if you do not make repairs promptly. We will determine the proportionate value as follows:
    - (a) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
    - (b) Divide the amount determined in (a) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.
  - (3) Nothing if others pay for repairs or replacement.

#### F. Additional Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

#### 1. Coinsurance

If a Coinsurance percentage is shown in the Declarations, the following condition applies.

- a. We will not pay the full amount of any loss if the value of Covered Property at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for the property.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the value of Covered Property at the time of loss by the Coinsurance percentage;
- (2) Divide the Limit of Insurance of the property by the figure determined in Step (1);
- (3) Multiply the total amount of loss, before the application of any deductible, by the figure determined in Step (2); and
- (4) Subtract the deductible from the figure determined in Step (3).

We will pay the amount determined in Step (4) or the limit of insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

#### EXAMPLE #1 (UNDERINSURANCE)

|           |  |           |
|-----------|--|-----------|
| When:     | The value of the property is   | \$250,000 |
|           | The Coinsurance percentage for it is   | 80%       |
|           | The Limit of Insurance for it is   | \$100,000 |
|           | The Deductible is  | \$250     |
|           | The amount of loss is  | \$40,000  |
| Step (1): | $\$250,000 \times 80\% = \$200,000$<br>(the minimum amount of insurance to meet your Coinsurance requirements) |           |
| Step (2): | $\$100,000 \div \$200,000 = .50$   |           |
| Step (3): | $\$40,000 \times .50 = \$20,000$   |           |
| Step (4): | $\$20,000 - \$250 = \$19,750$  |           |

We will pay no more than \$19,750. The remaining \$20,250 is not covered.

#### EXAMPLE #2 (ADEQUATE INSURANCE)

|       |                                      |           |
|-------|--------------------------------------|-----------|
| When: | The value of the property is         | \$250,000 |
|       | The Coinsurance percentage for it is | 80%       |
|       | The Limit of Insurance for it is     | \$200,000 |
|       | The Deductible is                    | \$250     |
|       | The amount of loss is                | \$40,000  |

The minimum amount of insurance to meet your Coinsurance requirement is \$200,000 (\$250,000 x 80%). Therefore, the Limit of Insurance in this example is adequate and no penalty applies. We will pay no more than \$39,750 (\$40,000 amount of loss minus the deductible of \$250).

- b. If one Limit of Insurance applies to two or more separate items, this condition will apply to the total of all property to which the limit applies.

### EXAMPLE #3

When: The value of the property is:

|                                  |                  |
|----------------------------------|------------------|
| Building at Location #1          | \$ 75,000        |
| Building at Location #2          | \$100,000        |
| Personal Property at Location #2 | <u>\$ 75,000</u> |
|                                  | \$250,000        |

The Coinsurance percentage for it is 90%

The Limit of Insurance for Buildings and Personal Property at Location #1 and #2 is \$180,000

The Deductible is \$ 1,000

The amount of loss is:

|                                   |                  |
|-----------------------------------|------------------|
| Building at Location #2           | \$ 30,000        |
| Personal Property at Location #2. | <u>\$ 20,000</u> |
|                                   | \$ 50,000        |

Step (1):  $\$250,000 \times 90\% = \$225,000$   
(the minimum amount of insurance to meet your Coinsurance requirements and to avoid the penalty shown below)

Step (2):  $\$180,000 \div \$225,000 = .80$

Step (3):  $\$ 50,000 \times .80 = \$40,000$

Step (4):  $\$ 40,000 - \$1,000 = \$39,000$

We will pay no more than \$39,000. The remaining \$11,000 is not covered.

### 2. Mortgageholders

- The term mortgageholder includes trustee.
- We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclo-

sure or similar action on the building or structure.

- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this Coverage Part, the mortgageholder will still have the right to receive loss payment if the mortgageholder:

- (1) Pays any premium due under this Coverage Part at our request if you have failed to do so;
- (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
- (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this Coverage Part will then apply directly to the mortgageholder.

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this Coverage Part:

- (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
- (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If we cancel this policy, we will give written notice to the mortgageholder at least:

- (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

- g. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

**G. Optional Coverages**

If shown as applicable in the Declarations, the following Optional Coverages apply separately to each item.

**1. Agreed Value**

- a. The Additional Condition, Coinsurance, does not apply to Covered Property to which this Optional Coverage applies. We will pay no more for loss of or damage to that property than the proportion that the Limit of Insurance under this Coverage Part for the property bears to the Agreed Value shown for it in the Declarations.
- b. If the expiration date for this Optional Coverage shown in the Declarations is not extended, the Additional Condition, Coinsurance, is reinstated and this Optional Coverage expires.
- c. The terms of this Optional Coverage apply only to loss or damage that occurs:
  - (1) On or after the effective date of this Optional Coverage; and
  - (2) Before the Agreed Value expiration date shown in the Declarations or the policy expiration date, whichever occurs first.

**2. Inflation Guard**

- a. The Limit of Insurance for property to which this Optional Coverage applied will automatically increase by the annual percentage shown in the Declarations.
- b. The amount of increase will be:
  - (1) The Limit of Insurance that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Limit of Insurance, times
  - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times
  - (3) The number of days since the beginning of the current policy year or the effective date of the most recent policy change amending the Limit of Insurance, divided by 365.

**Example:**

If: The applicable Limit

|  |           |
|--|-----------|
| of Insurance is  | \$100,000 |
| The annual percentage increase is  | 8%        |
| The number of days since the beginning of the policy year (or last policy change) is | 146       |
| The amount of increase is  |           |
| $\$100,000 \times .08 \times 146 \div 365 =$   | \$3,200   |

**3. Replacement Cost**

- a. Replacement Cost (without deduction for depreciation) replaces Actual Cash Value in the Valuation Loss Condition, of this Coverage Form.
- b. This Optional Coverage does not apply to:
  - (1) Personal property of others;
  - (2) Contents of a residence;
  - (3) Works of art, antiques or rare articles, including etchings, pictures, statuary, marbles, bronzes, porcelains and bric-a-brac; or
  - (4) "Stock", unless the Including "Stock" option is shown in the Declarations.

Under the terms of this Replacement Cost Optional Coverage, tenants' improvements and betterments are not considered to be the personal property of others.

- c. You may make a claim for loss or damage covered by this insurance on an actual cash value basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an actual cash value basis, you may still make a claim for the additional coverage this Optional Coverage provides if you notify us of your intent to do so within 180 days after the loss or damage.
- d. We will not pay on a replacement cost basis for any loss or damage:
  - (1) Until the lost or damaged property is actually repaired or replaced; and
  - (2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

With respect to tenants' improvements and betterments, the following also apply:

- (3) If the conditions in d.(1) and d.(2) above are not met, the value of tenants' improvements and betterments, will be determined as a proportion of your original cost, as set forth in the Valuation Loss Condition of this Coverage Form; and
  - (4) We will not pay for loss or damage to tenants' improvements and betterments if others pay for repairs or replacement.
- e. We will not pay more for loss or damage on a replacement cost basis than the least of (1), (2) or (3), subject to f. below:
- (1) The Limit of Insurance applicable to the lost or damaged property;
  - (2) The cost to replace the lost or damaged property with other property:
    - (a) Of comparable material and quality; and
    - (b) Used for the same purpose; or
  - (3) The amount actually spent that is necessary to repair or replace the lost or damaged property.

If a building is rebuilt at a new premises, the cost described in e.(2) above is limited to the cost which would have been incurred if the building had been rebuilt at the original premises.

- f. The cost of repair or replacement does not include the increased cost attributable to enforcement of any ordinance or law regulating the construction, use or repair of any property.

#### 4. Extension Of Replacement Cost To Personal Property Of Others

- a. If the Replacement Cost Optional Coverage is shown as applicable in the Declarations, then this Extension may also be shown as applicable. If the Declarations show this Extension as applicable, then Paragraph 3.b.(1) of the Replacement Cost Optional Coverage is deleted and all other provisions of the Replacement Cost Optional Coverage apply to replacement cost on personal property of others.

- b. With respect to replacement cost on the personal property of others, the following limitation applies:

If an item(s) of personal property of others is subject to a written contract which governs your liability for loss or damage to that item(s), then valuation of that item(s) will be based on the amount for which you are liable under such contract, but not to exceed the replacement cost of the property or the applicable Limit of Insurance.

#### H. Definitions

- 1. "Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
- 2. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- 3. "Stock" means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.

## EXTRA EXPENSE COVERAGE FORM

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section D., Definitions.

### A. Coverage

We will pay the actual and necessary Extra Expense you sustain due to direct physical loss of or damage to property at premises which are described in the Declarations and for which an Extra Expense Limit of Insurance is shown in the Declarations. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 100 feet of the site at which the described premises are located.

With respect to the requirements set forth in the preceding paragraph, if you occupy only part of the site at which the described premises are located, your premises means:

- a. The portion of the building which you rent, lease or occupy; and
- b. Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.

#### 1. Extra Expense

Extra Expense means necessary expenses you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property. Coverage pertains to expense (other than the expense to repair or replace property) which are incurred to:

- a. Avoid or minimize the "suspension" of business and to continue "operations" at the described premises or at replacement premises or temporary locations, including relocation expenses and costs to equip and operate the replacement location or temporary location.
- b. Minimize the "suspension" of business if you cannot continue "operations".

We will also pay Extra Expense to repair or replace property, but only to the extent

it reduces the amount of loss otherwise would have been payable under the Coverage Form.

#### 2. Covered Causes Of Loss, Exclusions And Limitations

See applicable Causes Of Loss Form as shown in the Declarations.

#### 3. Additional Limitation - Interruption of Computer Operations

a. Coverage for Extra Expense does not apply when action is taken to avoid or minimize a "suspension" of "operations" caused by destruction or corruption of electronic data, or any loss or damage to electronic data, except as provided under the Additional Coverage - Interruption of Computer Operations.

b. Electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

#### 4. Additional Coverages

##### a. Alterations And New Buildings

We will pay for the actual and necessary Extra Expense you incur due to direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss to:



- (1) New buildings or structures, whether complete or under construction;
- (2) Alterations or additions to existing buildings or structures; and
- (3) Machinery, equipment, supplies or building materials located on or within 100 feet of the described premises and:
  - (a) Used in the construction, alterations or additions; or
  - (b) Incidental to the occupancy of new buildings.

**b. Civil Authority**

In this Additional Coverage - Civil Authority, the described premises are premises to which this Coverage Form applies, as shown in the Declarations.

When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and
- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority Coverage will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to four consecutive weeks from the date on which such coverage began.

**c. Interruption of Computer Operations**

- (1) Under this Additional Coverage, electronic data has the meaning described under Additional Lim-

itation - Interruption of Computer Operations.

- (2) Subject to all provisions of this Additional Coverage, you may extend the insurance that applies to Extra Expense to apply to a "suspension" of "operations" caused by an interruption in computer operations due to destruction or corruption of electronic data due to a Covered Cause of Loss.
- (3) With respect to the coverage provided under this Additional Coverage, the Covered Causes of Loss are subject to the following:

- (a) If the Causes of Loss - Special Form applies, coverages under this Additional Coverage - Interruption of Computer Operations is limited to the "specified causes of loss" as defined in that Form, and Collapse as set forth in that Form.
- (b) If the Causes of Loss - Broad Form applies, coverages under this Additional Coverages - Interruption of Computer Operations includes Collapse as set forth in that Form.
- (c) If the Causes of Loss Form is endorsed to add a Covered Cause of Loss, the additional Covered Cause of Loss does not apply to the coverage provided under this Additional Coverage - Interruption of Computer Operations.
- (d) The Covered Causes of Loss include a virus, harmful code or similar instruction introduced into or enacted on a computer system (including electronic data) or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for interruption related to manipulation of a computer system (including electronic data) by any employee, including a temporary or leased employee, or by an entity retained by you or for you to inspect, design, install, maintain, repair that system.



(4) The most we will pay under this Additional Coverage - Interruption of Computer Operations is \$2,500 for all loss sustained in any one policy year, regardless of the number of interruptions or the number of premises, locations or computer systems involved. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss sustained as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss in a subsequent policy year(s), all loss is deemed to be sustained in the policy year in which the interruption began.

(5) This Additional Coverage - Interruptions in Computer Operations does not apply to loss sustained after the end of the "period of restoration", even if the amount of insurance stated in (4) above has not been exhausted.

#### 5. Coverage Extension

You may extend the insurance provided by this Coverage part as follows:

##### NEWLY ACQUIRED LOCATIONS

- a. You may extend your Extra Expense Coverage to apply to property at any location you acquire other than fairs or exhibitions.
- b. The most we will pay for loss under this Extension is \$100,000 at each location.
- c. Insurance under this Extension for each newly acquired location will end when any of the following first occurs:
  - (1) This policy expires;
  - (2) 30 days expire after you acquire the property; or
  - (3) You notify us of how you want this coverage to apply to that location.

We will charge you additional premium from the date you acquire the property.

#### B. Limits Of Insurance

The most we will pay for loss in any one occurrence is the applicable Limit of Insurance shown in the Declarations.

Payments under the following Additional Coverages will not increase the applicable Limit of Insurance:

1. Alterations and New Buildings; or
2. Civil Authority.

The amounts of insurance stated in the Interruption Of Computer Operations Additional Coverage and the Newly Acquired Locations Coverage and the Newly Acquired Locations Coverage Extension apply in accordance with the terms of those coverages and are separate for the Limit(s) of Insurance shown in the Declarations for any other coverage.

#### C. Loss Conditions

The following conditions apply in addition to the Common Policy Conditions and the Commercial Property Conditions.

##### 1. Appraisal

If we and you disagree on the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

##### 2. Duties If You Incur Extra Expense

- a. You must see that the following are done if you incur Extra Expense:
  - (1) Notify the police if a law may have been broken.
  - (2) Give us prompt notice of the direct physical loss or damage. Include a description of the property involved.
  - (3) As soon as possible, give us a description of how, when and where the direct physical loss or damage occurred.

(4) Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasible, set the damaged property aside and in the best possible order for examination.

(5) As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

(6) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.

(7) Cooperate with us in the investigation or settlement of the claim.

(8) If you intend to continue your business, you must resume all or part of your "operations" as quickly as possible.

b. We may examine any insured under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.

### 3. Limits On Loss Payment

We will not pay more for Extra Expense than the percentages shown in the Declarations times the Limit of Insurance.

When the "period of restoration" is:

a. 30 days or less, the first percentage applies.

b. 60 days or less, but more than 30 days, the second percentage applies.

c. More than 60 days, the third percentage applies.

### EXAMPLE

The Limit of Insurance is \$100,000

The percentages shown in the Declarations are 40%-80%-100%

The "period of restoration" is 45 days

The amount of Extra Expenses incurred is \$ 90,000

We will not pay more than \$100,000 times 80% (the percentage applicable for a "period of restoration" of 31-60 days), or \$80,000. The remaining \$10,000 is not covered.

### 4. Loss Determination

a. The amount of Extra Expense will be determined based on:

(1) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage had occurred. We will deduct from the total of such expenses:

(a) The salvage value that remains of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and

(b) Any Extra Expense that is paid for by other insurance, except for insurance that is written subject to the same plan, terms, conditions and provisions as this insurance; and

(2) Necessary expenses that reduce the Extra Expense otherwise incurred.

b. We will reduce the amount of your Extra Expense loss to the extent you can return "operations" to normal and discontinue such Extra Expense.

c. If you do not resume "operations", or do not resume "operations" as quickly as possible, we will pay based on the length of time it would have taken to resume "operations" as quickly as possible.

**5. Loss Payment**

We will pay for any loss within 30 days after we receive the proof of loss, if you have complied with all of the terms of this Coverage Part and:

- a. We reach agreement with you on the amount of loss; or
- b. An appraisal award has been made.

**D. Definitions**

1. "Operations" means your business activities occurring at the described premises.
2. "Period of restoration" means the period of time that:
  - a. Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
  - b. Ends on the earlier of:
    - (1) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

- (2) The date when business is resumed at a new permanent location.

"Period of restoration" does not include any increased period required due to the enforcement of any ordinance or law that:

- (1) Regulates the construction, use or repair, or requires the tearing down, of any property; or
- (2) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants".

The expiration date of this policy will not cut short the "period of restoration".

3. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
4. "Suspension" means the slowdown or cessation of your business activities.

POLICY NUMBER: CMM 4871702

INTERLINE

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PROTECTIVE SAFEGUARDS**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART  
FARM COVERAGE PART**SCHEDULE\*****Prem.  
No.****Bldg.  
No.****Protective Safeguards  
Symbols Applicable**

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001

P-1

**Describe any "P-9":**

\* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

**A. The following is added to the:**

Commercial Property Conditions

General Conditions in the Farm Property -

Other Farm Provisions Form - Additional  
Coverages, Conditions, DefinitionsGeneral Conditions in the Mobile Agricultural  
Machinery and Equipment Coverage FormGeneral Conditions in the Livestock Coverage  
Form**PROTECTIVE SAFEGUARDS**1. As a condition of this insurance, you are  
required to maintain the protective de-  
vices or services listed in the Schedule  
above.2. The protective safeguards to which this  
endorsement applies are identified by  
the following symbols:**"P-1" Automatic Sprinkler System**, in-  
cluding related supervisory ser-  
vices.Automatic Sprinkler System  
means:a. Any automatic fire protective  
or extinguishing system, in-  
cluding connected:(1) Sprinklers and discharge  
nozzles;(2) Ducts, pipes, valves and  
fittings;(3) Tanks, their component  
parts and supports; and(4) Pumps and private fire  
protection mains.b. When supplied from an auto-  
matic fire protective system:(1) Non-automatic fire pro-  
tective systems; and(2) Hydrants, standpipes and  
outlets.**"P-2" Automatic Fire Alarm**, protecting  
the entire building, that is:a. Connected to a central sta-  
tion; orb. Reporting to a public or pri-  
vate fire alarm station.**"P-3" Security Service**, with a recording  
system or watch clock, making  
hourly rounds covering the entire  
building, when the premises are  
not in actual operation.**"P-4" Service Contract** with a privately  
owned fire department providing  
fire protection service to the de-  
scribed premises.**"P-9"** The protective system described  
in the Schedule.

**B. The following is added to the EXCLUSIONS section of:**

CAUSES OF LOSS - BASIC FORM  
CAUSES OF LOSS - BROAD FORM  
CAUSES OF LOSS - SPECIAL FORM  
MORTGAGE HOLDERS ERRORS AND  
OMISSIONS COVERAGE FORM  
STANDARD PROPERTY POLICY  
CAUSES OF LOSS FORM - FARM  
PROPERTY  
MOBILE AGRICULTURAL MACHINERY  
AND EQUIPMENT COVERAGE FORM  
LIVESTOCK COVERAGE FORM

We will not pay for loss or damage caused by or resulting from fire if, prior to the fire, you:

1. Knew of any suspension or impairment in any protective safeguard listed in the Schedule above and failed to notify us of that fact; or
2. Failed to maintain any protective safeguard listed in the Schedule above, and over which you had control, in complete working order.

If part of an Automatic Sprinkler System is shut off due to breakage, leakage, freezing conditions or opening of sprinkler heads, notification to us will not be necessary if you can restore full protection within 48 hours.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**VALUE GUARD ENDORSEMENT**

This endorsement modifies insurance provided under the following:

COMMERCIAL PROPERTY COVERAGE PART  
BUSINESSOWNERS COVERAGE FORM  
AGRICULTURAL OUTPUT PROGRAM

The Limit of Insurance shown in the Declarations for Building(s) may be increased at the beginning of each rating period based upon the change in construction costs for the area in which the building is located.

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## COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****COMMERCIAL PROPERTY  
EXPANDED COVERAGE ENDORSEMENT - TIER 2**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
BUSINESS INCOME COVERAGE FORMS  
CAUSES OF LOSS - SPECIAL FORM

**BUILDING AND PERSONAL PROPERTY  
COVERAGE FORM AMENDMENT**

If a coverage limit is shown as applicable in the Tier 2 Schedule, the following coverages apply. These coverages are subject to the terms and conditions applicable to property coverage in this policy, except as provided below.

Under **Section A. Coverage, 1. Covered Property, a. Building** the following is added:

- (6) Foundations of buildings.

Under **Section A. Coverage 2. Property Not Covered**, item g. is deleted.

In **Section A. Coverage**, the references to 100 feet are changed to read 1,000 feet in the following paragraphs:

1.a.(5)(b) Building;

1.b. Business Personal Property;

1.c.(2) Personal Property of Others; and

5. Coverage Extensions

Under **Section A. Coverage, 4. Additional Coverages, c. Fire Department Service Charge**, the limit is changed from \$1,000 to \$10,000 unless a different limit is shown in the Tier 2 Schedule.

Under **Section A. Coverage, 4. Additional Coverages** the following is added:

**g. Fire Extinguisher Recharge Expense**

We will pay to recharge or replace your fire extinguishers, whichever cost is less, when they are discharged as a result of fighting a fire caused by a Covered Cause of Loss, on or within 1,000 feet of your described premises.

No deductible applies to this Additional Coverage.

**h. Lock Replacement**

We will pay the cost to repair the door locks or tumblers of your described premises due to "theft" of your door keys.

"Theft" means any act of stealing. "Theft" does not mean mysterious or unexplained disappearance of property.

The most we will pay under this Additional Coverage is \$2,500, unless a different limit is shown in the Tier 2 Schedule.

No deductible applies to this Additional Coverage.

**i. Reward Payment**

(1) We will reimburse you for rewards paid as follows:

(a) Up to \$10,000 to an eligible person for information leading to the arrest and conviction of any person or persons committing a crime resulting in loss or damage to Covered Property from a Covered Cause of Loss. However, we will pay no more than the lesser of the following amounts:

(i) Actual cash value of the Covered Property at the time of loss or damage, but no more than the amount required to repair or replace it; or

(ii) The amount determined by the loss settlement procedure applicable to Covered Property under the Loss Payment Condition.

(b) Up to \$10,000 to an eligible person for the return of stolen Covered Property, when the loss or damage is caused by theft. However, we will pay no more than the lesser of the following amounts:

(i) Actual cash value based on the condition of the Covered Property at the time it is returned, but not more than the amount required to repair or replace it; or

- (ii) The amount determined by the loss settlement procedure applicable to the return Covered Property under the Loss Payment Condition.

- (2) This Additional Coverage applies subject to the following additional conditions:

- (a) An eligible person means that person designated by a law enforcement agency as being the first to voluntarily provide the information leading to the arrest and conviction or return of the stolen Covered Property, and who is not:

- (i) You;
- (ii) Your employee;
- (iii) An employee of a law enforcement agency;
- (iv) An employee of a business engaged in property protection;
- (v) Any person who had custody of the Covered Property at the time the theft was committed; or
- (vi) Any person involved in the crime.

- (b) No reward will be reimbursed unless and until the person(s) committing the crime is/are convicted or the Covered Property is returned.
- (c) You must have posted public notice of reward prior to the first person volunteering the necessary information or returning the stolen Covered Property.

- (3) The lesser of the amount of the reward or the amount shown in the Tier 2 Schedule is the most we will reimburse for loss under this Additional Coverage for any one occurrence.

We will pay up to \$10,000 as a reward for information which leads to an arson, theft or vandalism conviction in connection with a fire, theft or vandalism loss to property covered under this policy. Regardless of the number of persons involved in providing information, the limit of our liability under this Additional Coverage shall not be increased.

No deductible applies to this Additional Coverage.

**Under Section A. Coverage, 5. Coverage Extensions, a. Newly Acquired Or Constructed Property (1) Buildings** the limit is changed from \$250,000 at each building to \$1,000,000 at each building unless a different limit is shown in the Tier 2 Schedule.

**Under Section A. Coverage, 5. Coverage Extensions, a. Newly Acquired Or Constructed Property (2) Your Business Personal Property** the limit is changed from \$100,000 at each building to \$500,000 at each building unless a different limit is shown in the Tier 2 Schedule.

**Under Section A. Coverage, 5. Coverage Extensions, a. Newly Acquired Or Constructed Property (3) Period of Coverage (b)** is changed from 30 days to 180 days.

**Under Section A. Coverage, 5. Coverage Extensions, b. Personal Effects and Property of Others** item (2) is amended to personal property of others in your care, custody, or control while anywhere within the coverage territory.

The limit is changed from \$2,500 at each described premises to \$50,000 at each described premises unless a different limit is shown in the Tier 2 Schedule. We will not pay more than \$5,000 to any one person in any one loss. Our payment for loss of or damage to personal property of others will only be for the account of the owner of the property.

**Under Section A. Coverage, 5. Coverage Extensions d. Property Off-premises, subparagraph (3)** is replaced with the following:

The most we will pay for loss or damage under this Extension is \$25,000, but not more than \$10,000 while in the care, custody or control of a salesperson unless a different limit of insurance is shown in the Tier 2 Schedule.

**Under Section A. Coverage, 5. Coverage Extensions e. Outdoor Property,** the last paragraph is amended to change the limit under this Extension from \$1,000 to \$10,000. The limit for any one tree, shrub or plant is changed from \$250 to \$1,000. These limits apply to any one occurrence, regardless of the types or number of items lost or damaged in that occurrence.

**Under Section A. Coverage, 5. Coverage Extensions** the following is added:

**g. Property In Transit**

You may extend the insurance provided by this Coverage Form to apply to your Covered Property (including property that is in the care, custody or control of your salespersons) in transit in or on a motor vehicle you own, lease or operate while between points within the coverage territory and more than 1,000 feet from the described premises. Loss or damage must be caused by or result from one of the following Covered Causes of Loss:

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- (1) Fire, lightning, explosion, windstorm or hail, riot or civil commotion or vandalism;
- (2) Vehicle collision, upset or overturn. Collision means accidental contact of your vehicle with another vehicle or object. It does not mean your vehicle's contact with the road bed;
- (3) Theft of an entire bale, case or package by forced entry into a securely locked body or compartment of the vehicle. There must be visible marks of the forced entry;
- (4) Flood; or
- (5) Earthquake.

The coverage provided under this Extension replaces coverage provided under any other additional coverage extension applying to property in transit. The most we will pay for this coverage is \$50,000 unless a different limit is shown in the Tier 2 Schedule.

#### **h. Extra Expense**

We will pay necessary Extra Expense you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss or damage to property at the described premises, including personal property in the open (or in a vehicle) within 1,000 feet, caused by or resulting from a Covered Cause of Loss.

Extra Expense means expense incurred:

- (1) To avoid or minimize the suspension of business and to continue "operations":
  - (a) At the described premises; or
  - (b) At replacement premises or at temporary locations, including:
    - (i) Relocation expenses; and
    - (ii) Costs to equip and operate the replacement or temporary locations.
- (2) To minimize the suspension of business if you cannot continue "operations"; or
- (3) To repair or replace any property; or
- (4) To research, replace or restore the lost information on damaged valuable papers and records;

to the extent it reduces the amount of loss that otherwise would have been payable under this Additional Coverage.

We will only pay for Extra Expense that occurs after the date of direct physical loss or damage. The most we will pay for loss or damage under this Extension is \$50,000.

"Operations" means your business activities occurring at the described premises.

"Period of Restoration" means the period of time that:

- (1) Begins with the date of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and
- (2) Ends on the date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality.

"Period of Restoration" does not include any increased period required due to the enforcement of any law that:

- (1) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (2) Regulates the prevention, control, repair, clean-up or restoration of environmental damage.

The expiration date of this policy will not cut short the "period of restoration."

#### **i. Back Up of Sewers or Drains**

You may extend the insurance provided by this Coverage Part to apply to loss or damage to your Covered Property caused by:

- (1) Water that backs up or overflows or is otherwise discharged from a sewer, drain, sump, sump pump or related equipment.
- (2) Subsurface water that enters into and overflows from within a:
  - (a) Sump pump;
  - (b) Sump pump well; or
  - (c) Other type system;

designed to remove subsurface water from the foundation area.

The most we will pay for loss or damage under this Extension is \$25,000 per any one occurrence including Business Income unless a different limit is shown in the Tier 2 Schedule.

**j. Credit Card Invoices**

You may extend the insurance that applies to Your Business Personal Property to apply to:

- (1) Sums owed you from grantors of credit provided you are unable to collect from them due to direct loss or damage to your credit card invoice records;
- (2) Increased collection costs as a result of such direct loss or damage; or
- (3) Other reasonable expenses that you incur to re-establish your records of credit card invoices following such direct loss or damage;

that results from a Covered Cause of Loss to your records of credit card invoices.

This insurance applies to credit card invoices while:

- (1) On premises scheduled in the Declarations of this policy;
- (2) While being conveyed outside the premises; or
- (3) While temporarily at other premises for any reason except storage.

The most we will pay for loss or damage under this Extension is \$1,000 unless a different limit is shown in the Tier 2 Schedule.

**k. Changes in Temperature**

You may extend the insurance provided by this coverage to apply to direct physical loss or damage to Covered Property, other than spoilage, caused by changes or extremes in temperature or humidity.

The most we will pay for loss or damage is \$50,000 per any one occurrence including Business Income unless a different limit is shown in the Tier 2 Schedule.

**l. Inventory and Appraisals**

You may extend the insurance provided for Covered Property to apply to the cost of any inventory or appraisal that we require when loss or damage occurs to Covered Property.

The most we will pay for loss or damage under this Extension is \$10,000 unless a different limit is shown in the Tier 2 Schedule.

**m. Computer Coverage**

You may extend the insurance that applies to your Business Personal Property to apply to "computer equipment", "media", "data", and "computer programs". We will cover "computer equipment", "media", "data", and "computer programs", which you own, lease or rent from others or that are in your care, custody or control. We will pay the replacement cost of reproducing lost or accidentally erased "data", "computer programs", documentation and source materials provided you actually replace or reproduce them.

This extension does not apply to:

- (1) Property you lease or rent to others while it is away from the described premises;
- (2) Any "data" or "media" which cannot be replaced with others of like kind or quality; or
- (3) Accounts, bills, evidence of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents, except as they may be converted to "data" processing "media" form, and then only in that form.

The most we will pay for loss or damage under this Extension is \$100,000 unless a different limit is shown in the Tier 2 Schedule.

A sublimit of \$10,000 applies to laptops/portable computers and their software while away from the premises.

**n. Deferred Payments**

You may extend the insurance that applies to your Business Personal Property to apply to direct physical loss or damage to personal property you have sold on an installment or other deferred payment basis after it has been accepted by the customer.

The most we will pay for loss or damage under this Extension is \$50,000 unless a different limit is shown in the Tier 2 Schedule.

Under **Section C. Limits of Insurance** the second paragraph is replaced with the following:

The most we will pay for loss or damage to outdoor signs, whether or not the sign is attached to the building, is \$12,500 per sign in any one occurrence unless a different limit is shown in the Tier 2 Schedule.

Under **Section E. Loss Conditions, 6. Vacancy, a. Description of Terms**, subparagraph (1) (b), the 31% provision is amended to read 11%.

Under **Section E. Loss Conditions, 7. Valuation**, the following conditions are added:

**f. "Data"**

We will figure your loss to be the actual cost of reproducing the data, provided you actually replace or reproduce it. This includes computer programs, but not "media."

**g. "Media"**

We will figure your loss to be the actual cost of repairing or replacing the "media" with material of the same kind or quality.

Under **Section G. Optional Coverages, 3. Replacement Cost**, subparagraph **b.(1)** is deleted when the Replacement Cost option is selected for Business Personal Property.

Under **H. Definitions**, the following are added:

4. "Computer Equipment" means a network of machine components capable of accepting information, processing it according to plan and producing the desired results. It includes air conditioning, fire protection equipment and electrical equipment used exclusively in your computer operations.
5. "Data" means facts, concepts or instructions, including computer programs, which are converted to a form usable to your data processing operations.
6. "Media" means material on which data are recorded.
7. "Computer Programs" means data used to direct computer equipment including diagrams or other records which can be used to reproduce programs.

**BUSINESS INCOME (AND EXTRA EXPENSE) COVERAGE FORM AMENDMENT**

Under **Section A. Coverage, 5. Additional Coverages** the following is added:

**e. Business Income From Dependent Properties**

- (1) The insurance provided for loss of Business Income and Extra Expense is extended to apply to the actual and necessary amount of such loss which you incur due to the necessary "suspension" of "operations" during the "period of restoration" caused by direct physical loss of or damage by a Covered Cause of Loss to property at the premises of a Dependent Property not specifically described under the Business Income From Dependent Properties - Broad Form endorsement or under the Business Income From Depend-

ent Properties - Limited Form endorsement. However, for this additional coverage, we will not pay for loss or damage caused by or resulting from Earthquake, Volcanic Eruption and Flood, even if they are otherwise Covered Causes of Loss.

- (2) Dependent Property means property at premises located anywhere in the world, which is operated by others on whom you depend to:

- (a) Deliver material or services to you or to others for your account;
- (b) Deliver services, other than power, water or communication supply services (including services relating to internet access or access to any electronic network), to you or to others for your account;
- (c) Accept your products or services;
- (d) Manufacture products for delivery to your customers under contract of sale; or
- (e) Attract customers to your business.

- (3) With respect only to the insurance provided under this Additional Coverage, the following changes apply:

- (a) The Extended Business Income Additional Coverage is amended by the following:

The loss of Business Income or loss of "Rental Value" must be caused by direct physical loss or damage at the premises of a Dependent Property caused by or resulting from a Covered Cause of Loss. However, for this Additional Coverage, we will not pay for loss or damage caused by or resulting from Earthquake, Volcanic Eruption and Flood even if they are otherwise Covered Causes of Loss.

- (b) The Resumption of Operations Loss Condition is amended as follows:

We will reduce the amount of your Business Income loss to the extent you can resume your "operations" in whole or in part, by using any other available source of materials or outlet for your products or services.



- (4) The most we will pay for loss in any one occurrence under this Additional Coverage is:
- (a) \$25,000 unless a different Limit of Insurance is shown in the Tier 2 Schedule; or
  - (b) The sum of the Limits of Insurance shown on the Declarations that applies to loss of Business Income and Extra Expense under this Coverage form when direct physical loss occurs to property at the described premises, whichever is less. The limit applicable to this Additional Coverage is an additional amount of insurance.

However, if covered loss to Miscellaneous Dependent Property results from a "Named Storm" including but not limited to wind, wind driven rain, flood or hail, caused by or associated with a "Named Storm", the most we will pay in any one occurrence at any one dependent property location under this extension is \$5,000 and the most we will pay for all loss or damage sustained in any one policy year is \$25,000, regardless of the number of occurrences of loss or damage or the number of premises or locations involved.

Under 6. Coverage Extension, Newly Acquired Locations, paragraph c. subparagraph (2) is changed from 30 days to 180 days.

**BUSINESS INCOME (WITHOUT EXTRA EXPENSE)  
COVERAGE FORM AMENDMENT**

Under Section A. Coverage, 4. Additional Coverages the following is added:

**f. Business Income From Dependent Properties**

- (1) The insurance provided for loss of Business Income and Extra Expense is extended to apply to the actual and necessary amount of such loss which you incur due to the necessary "suspension" of "operations" during the "period of restoration" caused by direct physical loss of or damage by a Covered Cause of Loss to property at the premises of a Dependent Property not specifically described under the Business Income From Dependent Properties - Broad Form endorsement or under the Business Income From Dependent Properties - Limited Form endorsement. However, for this ad-

ditional coverage, we will not pay for loss or damage caused by or resulting from Earthquake, Volcanic Eruption and Flood, even if they are otherwise Covered Causes of Loss.

- (2) Dependent property means property at premises located anywhere in the world, which is operated by others on whom you depend to:
- (a) Deliver materials or services to you or to others for your account;
  - (b) Deliver services, other than power, water or communication supply services (including services relating to internet access or access to any electronic network), to you or to others for your account;
  - (c) Accept your products or services;
  - (d) Manufacture products for deliver to your customers under contract of sale; or
  - (e) Attract customers to your business.
- (3) With respect only to the insurance provided under this Additional Coverage, the following changes apply:

- (a) The Extended Business Income Additional Coverage is amended by the following:

The loss of Business Income or loss of "Rental Value" must be caused by direct physical loss or damage at the premises of a Dependent Property caused by or resulting from a Covered Cause of Loss. However, for this Additional Coverage, we will not pay for loss or damage caused by or resulting from Earthquake, Volcanic Eruption and Flood even if they are otherwise Covered Causes of Loss.

- (b) The Resumption of Operations Loss Condition is amended as follows:

We will reduce the amount of your Business Income loss to the extent you can resume your "operations" in whole or in part, by using any other available source of materials or outlet for your products or services.



(4) The most we will pay for loss in any one occurrence under this Additional Coverage is:

- (a) \$25,000 unless a different Limit of Insurance is shown in the Tier 2 schedule; or
- (b) The sum of the Limits of Insurance shown on the Declarations that applies to loss of Business Income and Extra Expense under this Coverage form when direct physical loss occurs to property at the described premises, whichever is less. The limit applicable to this Additional Coverage is an additional amount of insurance.

However, if covered loss to Miscellaneous Dependent Property results from a "Named Storm" including but not limited to wind, wind driven rain, flood or hail, caused by or associated with a "Named Storm," the most we will pay in any one occurrence at any one dependent property location under this extension is \$5,000 and the most we will pay for all loss or damage sustained in any one policy year is \$25,000, regardless of the number of occurrences of loss or damage or the number of premises or locations involved.

Under 5. Coverage Extension, NEWLY ACQUIRED LOCATIONS, paragraph c. subparagraph (2) is changed from 30 days to 180 days.

#### CAUSES OF LOSS - SPECIAL FORM AMENDMENT

Under Section C. Limitations, subparagraph 3.c., the limit is changed from \$2,500 to \$10,000 for patterns, dies, molds and forms.

Under Section C. Limitations, subparagraph 3.d., the limit is changed from \$250 to \$500 for stamps, tickets, including lottery tickets held for sale, and letters of credit.

Under Section G. Definitions, the following are added:

- 3. "Computer Equipment" means a network of machine components capable of accepting information processing it according to plan and producing the desired results. It includes air conditioning, fire protection equipment and electrical equipment used exclusively in your computer operations.
- 4. "Data" means facts, concepts or instructions, including computer programs, which are converted to a form usable to your data processing operations.
- 5. "Media" means material on which data are recorded.
- 6. "Computer Programs" means data used to direct computer equipment including diagrams or other records which can be used to reproduce programs.
- 7. "Named Storm" means a storm system identified by the National Weather Service as a tropical windstorm or hurricane.

POLICY NUMBER: CMM 4871702

COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DEBRIS REMOVAL ADDITIONAL INSURANCE**

This endorsement modifies insurance provided under the following:

BUILDERS' RISK COVERAGE FORM  
BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
CONDOMINIUM ASSOCIATION COVERAGE FORM  
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM  
STANDARD PROPERTY POLICY  
TOBACCO SALES WAREHOUSES COVERAGE FORM

**SCHEDULE\***

| <b>Prem.<br/>No.</b>  | <b>Bldg.<br/>No.</b> | <b>Debris Removal<br/>Amount</b> | <b>Additional<br/>Premium</b> |
|---|----------------------|----------------------------------|-------------------------------|
| <b>Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for Coverages and Limits of Insurance.</b> |                      |                                  |                               |
| * Information required to complete this Schedule, If not shown on this endorsement will be shown in the Declarations.   |                      |                                  |                               |

The additional limit of \$10,000 for debris removal in the **Debris Removal** Additional Coverages section is replaced by the higher amount shown in the Schedule.

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POLICY NUMBER: CMM 4871702

COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ORDINANCE OR LAW COVERAGE**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
 CONDOMINIUM ASSOCIATION COVERAGE FORM  
 STANDARD PROPERTY POLICY

**SCHEDULE\***

| Prem. No./<br>Bldg. No. | Cov. A                   | Cov. B<br>Limit<br>Of Insurance | Cov. C<br>Limit<br>Of Insurance | Cov. B and C<br>Combined Limit<br>Of Insurance |
|-------------------------|--------------------------|---------------------------------|---------------------------------|--|
| /                       | <input type="checkbox"/> | \$                              | \$                              | \$ **  |
| /                       | <input type="checkbox"/> | \$                              | \$                              | \$ **  |
| /                       | <input type="checkbox"/> | \$                              | \$                              | \$ **  |

Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for Coverages and Limits of Insurance.

\* Information required to complete the Schedule, if not shown on this endorsement, will be shown in the Declarations.

\*\* Do not enter a Combined Limit of Insurance if individual Limits of Insurance are selected for Coverages B and C, or if one of these Coverages is not applicable.

**A. Each Coverage - Coverage A, Coverage B and Coverage C - is provided under this endorsement only if that Coverage(s) is chosen by entry in the above Schedule and then only with respect to the building identified for that Coverage(s) in the Schedule.**

**B. Application Of Coverage(s)**

The Coverage(s) provided by this endorsement apply only if both **B.1.** and **B.2.** are satisfied and are then subject to the qualifications set forth in **B.3.**

**1. The ordinance or law;**

**a.** Regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises; and

**b.** Is in force at the time of loss.

But coverage under this endorsement applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered under this endorsement.

**2. a.** The building sustains direct physical damage that is covered under this policy and such damage results in enforcement of the ordinance or law; or

**b.** The building sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and the building damage in its entirety results in enforcement of the ordinance or law.

**c.** But if the building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, then there is no coverage under this endorsement even if the building has also sustained covered direct physical damage.

**3.** In the situation described in **B.2.b.** above, we will not pay the full amount of loss otherwise payable under the terms of Coverages A, B and/or C of this endorsement. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

(Section H. of this endorsement provides an example of this procedure.)

However, if the covered direct physical damage, alone, would have resulted in enforcement of the ordinance or law, then we will pay the full amount of loss otherwise payable under the terms of Coverages A, B and/or C of this endorsement.

**C. We will not pay under Coverage A, B or C of this endorsement for:**

1. Enforcement of any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread or any activity of "fungus", wet or dry rot or bacteria; or
2. The costs associated with the enforcement of any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungus", wet or dry rot or bacteria.

**D. Coverage**

**1. Coverage A - Coverage For Loss To The Undamaged Portion Of The Building**

With respect to the building that has sustained covered direct physical damage, we will pay under Coverage A for the loss in value of the undamaged portion of the building as a consequence of enforcement of an ordinance or law that requires demolition of undamaged parts of the same building.

Coverage A is included within the Limit of Insurance shown in the Declarations as applicable to the covered building. Coverage A does not increase the Limit of Insurance.

**2. Coverage B - Demolition Cost Coverage**

With respect to the building that has sustained covered direct physical damage, we will pay the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of an ordinance or law that requires demolition of such damaged property.

The Coinsurance Additional Condition does not apply to Demolition Cost Coverage.

**3. Coverage C - Increased Cost Of Construction Coverage**

- a. With respect to the building that has sustained covered direct physical damage, we will pay for the increased cost to:

- (1) Repair or reconstruct damaged portions of that building; and/or
- (2) Reconstruct or remodel undamaged portions of that building, whether or not demolition is required;

when the increased cost is a consequence of enforcement of the minimum requirements of the ordinance or law.

However:

- (1) This coverage applies only if the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law.
- (2) We will not pay for the increased cost of construction if the building is not repaired, reconstructed or remodeled.

The Coinsurance Additional Condition does not apply to Increased Cost of Construction Coverage.

- b. When a building is damaged or destroyed and Coverage C applies to that building in accordance with 3.a. above, coverage for the increased cost of construction also applies to repair or reconstruction of the following, subject to the same conditions stated in 3.a.:

- (1) The cost of excavations, grading, backfilling and filling;
- (2) Foundation of the building;
- (3) Pilings; and
- (4) Underground pipes, flues and drains.

The items listed in b.(1) through b.(4) above are deleted from Property Not Covered, but only with respect to the coverage described in this Provision, 3.b.

**E. Loss Payment**

1. All following loss payment Provisions, E.2. through E.5., are subject to the appointment procedures set forth in Section B.3. of this endorsement.

2. When there is a loss in value of an undamaged portion of a building to which Coverage A applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:
  - a. If the Replacement Cost Coverage Option applies and the property is being repaired or replaced, on the same or another premises, we will not pay more than the lesser of:
    - (1) The amount you would actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or
    - (2) The Limit of Insurance shown in the Declarations as applicable to the covered building.
  - b. If the Replacement Cost Coverage Option applies and the property is **not** repaired or replaced, or if the Replacement Cost Coverage Option does **not** apply, we will not pay more than the lesser of:
    - (1) The actual cash value of the building at the time of loss; or
    - (2) The Limit of Insurance shown in the Declarations as applicable to the covered building.
3. Unless Paragraph E.5. applies, loss payment under Coverage B - Demolition Cost Coverage will be determined as follows:
 

We will not pay more than the lesser of the following:

  - a. The amount you actually spend to demolish and clear the site of the described premises; or
  - b. The applicable Limit of Insurance shown for Coverage B in the Schedule above.
4. Unless Paragraph E.5. applies, loss payment under Coverage C - Increased Cost of Construction Coverage will be determined as follows:
  - a. We will not pay under Coverage C:
    - (1) Until the property is actually repaired or replaced, at the same or another premises; and
- (2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
- b. If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay under Coverage C is the lesser of:
  - (1) The increased cost of construction at the same premises; or
  - (2) The applicable Limit of Insurance shown for Coverage C in the Schedule above.
- c. If the ordinance or law requires relocation to another premises, the most we will pay under Coverage C is the lesser of:
  - (1) The increased cost of construction at the new premises; or
  - (2) The applicable Limit of Insurance shown for Coverage C in the Schedule above.
5. If a **Combined** Limit of Insurance is shown for Coverages B and C in the Schedule above, Paragraphs E.3. and E.4. of this endorsement do not apply with respect to the building that is subject to the Combined Limit, and the following loss payment provisions apply instead:
 

The most we will pay, for the total of all covered losses for Demolition Cost and Increased Cost of Construction, is the Combined Limit of Insurance shown for Coverages B and C in the Schedule above. Subject to this Combined Limit of Insurance, the following loss payment provisions apply:

  - a. For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described premises.
  - b. With respect to the Increased Cost of Construction:
    - (1) We will not pay for the increased cost of construction:
      - (a) Until the property is actually repaired or replaced, at the same or another premises; and



(b) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

(2) If the building is repaired or replaced at the same premises, or if you elect to rebuild at another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the same premises.

(3) If the ordinance or law requires relocation to another premises, the most we will pay for the increased cost of construction is the increased cost of construction at the new premises.

F. The terms of this endorsement apply separately to each building to which this endorsement applies.

G. Under this endorsement we will not pay for loss due to any ordinance or law that:

1. You were required to comply with before the loss, even if the building was undamaged; and
2. You failed to comply with.

H. Example of Proportionate Loss Payment for Ordinance or Law Coverage Losses (procedure as set forth in Section B.3. of this endorsement)

Assume:

- Wind is a Covered Cause of Loss; Flood is an excluded Cause of Loss
- The building has a value of \$200,000

- Total direct physical damage to building: \$100,000
- The ordinance or law in this jurisdiction is enforced when building damage equals or exceeds 50% of the building's value
- Portion of direct physical damage that is covered (caused by wind): \$30,000
- Portion of direct physical damage that is not covered (caused by flood): \$70,000
- Loss under Ordinance or Law Coverage C of this endorsement: \$60,000

Step 1:

Determine the proportion that the covered direct physical damage bears to the total direct physical damage.

$$\$30,000 \div \$100,000 = .30$$

Step 2:

Apply that proportion to the Ordinance or Law loss.

$$\$60,000 \times .30 = \$18,000$$

In this example, the most we will pay under this endorsement for the Coverage C loss is \$18,000, subject to the applicable Limit of Insurance and any other applicable provisions.

**NOTE:** The same procedure applies to losses under Coverages A and B of this endorsement.

I. The following definition is added:

"Fungus" means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.

POLICY NUMBER: CMM 4871702

COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****PEAK SEASON LIMIT OF INSURANCE**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM  
 STANDARD PROPERTY POLICY

**SCHEDULE\***

| Prem.<br>No. | Bldg.<br>No. | Covered<br>Property | Additional<br>Limit of<br>Insurance | Peak Season |    |
|--------------|--------------|---------------------|-------------------------------------|-------------|----|
|              |              |                     |                                     | From        | To |

Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for Coverages and Limits of Insurance.

The Limit of Insurance on covered personal property is increased to include the amount shown in the Schedule:

- A. At the described location(s); and
- B. Only from 12:01 A.M. Standard Time of the first day to 12:01 A.M. Standard Time of the last day of the applicable period(s) shown in the Schedule.

\* Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

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POLICY NUMBER: CMM 4871702

COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## POLLUTANT CLEAN UP AND REMOVAL ADDITIONAL AGGREGATE LIMIT OF INSURANCE

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
 CONDOMINIUM ASSOCIATION COVERAGE FORM  
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM  
 BUILDERS' RISK COVERAGE FORM  
 STANDARD PROPERTY POLICY  
 TOBACCO SALES WAREHOUSE COVERAGE FORM

**SCHEDULE\***

| Prem.<br>No. | Additional Aggregate<br>Limit of Insurance | Deductible | Additional<br>Premium |
|--------------|--|------------|-----------------------|
|--------------|--|------------|-----------------------|

Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for Coverages and Limits of Insurance.

A. The \$10,000 annual aggregate limit for the POLLUTANT CLEAN UP AND REMOVAL Additional Coverage is increased by the Additional Aggregate Limit of Insurance shown in the Schedule.

The remaining aggregate from the basic Additional Coverage (assuming \$4,000 has previously been paid for the same policy year) is \$6,000

The Deductible shown in the Schedule is \$10,000

B. We will not pay under this endorsement for "pollutants" clean up or removal costs in any occurrence until the total of all such costs exceeds the sum of:

The Pollutant Clean Up and Removal Additional Aggregate Limit of Insurance is \$25,000

1. The \$10,000 aggregate limit from the basic Pollutant Clean Up and Removal Additional Coverage, less any prior payments for the same policy year; plus

We will determine the most we will pay under this endorsement as follows:

|   |                |
|---|----------------|
| The cost incurred   | \$40,000       |
| Less the sum of the remaining basic Additional Coverage aggregate | \$ 6,000       |
| and the Deductible  | <u>10,000</u>  |
|   | <u>-16,000</u> |

2. The Deductible shown in the Schedule.

We will then pay the costs in excess of that sum, until the Additional Aggregate Limit of Insurance shown in the Schedule is used up during the applicable 12-month period.

The most we will pay under this endorsement is \$24,000.

The remaining benefit under this endorsement for costs incurred for the policy year is \$1,000.

Example:

The cost of "pollutants" clean up and removal is \$40,000

C. No other Deductible in this policy applies to this endorsement.

\*Information required to complete this Schedule, if not shown on this endorsement, will be shown in the Declarations.

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POLICY NUMBER: CMM 4871702

COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****SPOILAGE COVERAGE**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM**SCHEDULE**

| Premises Number   | Building Number | Limit Of Insurance |
|---|-----------------|--------------------|
| <b>Description Of Property:</b><br><b>Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for Coverages and Limits of Insurance.</b><br><br><b>Deductible: \$500</b><br><b>Refrigeration Maintenance Agreement:</b> |                 |                    |
| <b>Causes Of Loss</b>   |                 |                    |
| <b>Breakdown Or Contamination:</b>  |                 |                    |
| <b>Information required to complete this Schedule, if not shown above, will be shown in the Declarations</b>  |                 |                    |

The Coverage Form to which this endorsement applies is extended to insure against direct physical loss or damage by the Covered Causes of Loss, but only with respect to coverage provided by this endorsement.

**A. Paragraph A.1., Covered Property** is replaced by the following:

**1. Covered Property**

Covered Property means "perishable stock" at the described premises owned by you or by others that is in your care, custody or control.

**B.** With respect to the coverage provided by this endorsement, property located on buildings or in the open or in vehicles is considered to be Property Not Covered.

**C. Paragraph A.3., Covered Causes Of Loss** is replaced by the following:

**3. Covered Causes Of Loss**

Covered Causes of Loss means the following only if indicated by an "X" in the Schedule:

**a.** Breakdown or Contamination, meaning:

(1) Change in temperature or humidity resulting from mechanical breakdown or mechanical failure of refrigerating, cooling or humidity control apparatus or equipment, only while such equipment or apparatus is at the described premises; and

(2) Contamination by the refrigerant.

**b.** Power Outage, meaning change in temperature or humidity resulting from complete or partial interruption of electrical power, either on or off the described premises, due to conditions beyond your control.

**D. Selling Price**

If Selling Price is indicated by an "X" in the Schedule, the following is added to the **Valuation Loss Condition**:

We will determine the value of finished "perishable stock" in the event of loss or damage at:

**1.** The selling price, as if no loss or damage had occurred;



2. Less discounts and expenses you otherwise would have had.

E. Paragraph A.5., **Coverage Extensions** does not apply.

F. Paragraph B. **Exclusions** is replaced by the following:

**B. Exclusions**

1. Only the following Exclusions contained in Paragraph B.1. of the Causes of Loss Form applicable to this Coverage Part apply to Spoilage Coverage:

- a. Earth Movement;
- b. Governmental Action;
- c. Nuclear Hazard;
- d. War And Military Action; and
- e. Water.

2. The following Exclusions are added:

We will not pay for loss or damage caused by or resulting from:

- a. The disconnection of any refrigerating, cooling or humidity control system from the source of power,
- b. The deactivation of electrical power caused by the manipulation of any switch or other device used to control the flow of electrical power or current.
- c. The inability of an Electrical Utility Company or other power source to provide sufficient power due to:
  - (1) Lack of fuel; or
  - (2) Governmental order.
- d. The inability of a power source at the described premises to provide sufficient power due to lack of generating capacity to meet demand.

- e. Breaking of any glass that is a permanent part of any refrigerating, cooling or humidity control unit.

G. Paragraph D. **Deductible** is replaced by the following:

We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the Deductible shown in the Schedule of this endorsement. We will then pay the amount of loss or damage in excess of that Deductible, up to the applicable Limit of Insurance. No other deductible in this policy applies to the coverage provided by this endorsement.

H. Paragraph F., **Additional Conditions** is replaced by the following:

**ADDITIONAL CONDITION**

The following condition applies in addition to the Common Policy Conditions and the Commercial Property Conditions.

**REFRIGERATION MAINTENANCE AGREEMENTS**

If Breakdown or Contamination is designated as a Covered Cause of Loss and a refrigeration maintenance agreement is shown as applicable by an "X" in the Schedule, the following condition applies:

You must maintain a refrigeration maintenance or service agreement. If you voluntarily terminate this agreement and do not notify us, the insurance provided by this endorsement will be automatically suspended at the involved location.

I. Paragraph G., **Optional Coverages** does not apply.

J. The following is added to the **Definitions**:

"Perishable stock" means personal property:

- a. Maintained under controlled conditions for its preservation; and
- b. Susceptible to loss or damage if the controlled conditions change.

POLICY NUMBER: CMM 4871702

COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****UTILITY SERVICES - DIRECT DAMAGE**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
 BUILDERS' RISK COVERAGE FORM  
 CONDOMINIUM ASSOCIATION COVERAGE FORM  
 CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM  
 STANDARD PROPERTY POLICY  
 TOBACCO SALES WAREHOUSES COVERAGE FORM

**SCHEDULE\***

| Prem.<br>No.  | Bldg.<br>No. | Utility Services<br>Limit Of Insurance | Enter "X" for each applicable Property |  |   |   |  |
|---|--------------|--|--|--|---|---|--|
|   |              |  | Water<br>Supply<br>Property            | Communi-<br>cation<br>Supply<br>Property<br>(including<br>overhead<br>transmis-<br>sion lines) | Communi-<br>cation<br>Supply<br>Property<br>(not<br>including<br>overhead<br>transmis-<br>sion lines) | Power<br>Supply<br>Property<br>(including<br>overhead<br>transmis-<br>sion lines) | Power<br>Supply<br>Property<br>(not<br>including<br>overhead<br>transmis-<br>sion lines) |
|   |              | \$                                     |  |  |   |   |  |
| <b>Covered Property:</b>  |              |  |  |  |   |   |  |
| <b>Causes Of Loss Form Applicable:</b>  |              |  |  |  |   |   |  |
| <b>Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for Coverages and Limits of Insurance.</b> |              |  |  |  |   |   |  |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations.                  |              |  |  |  |   |   |  |

**A.** We will pay for loss of or damage to Covered Property described in the Schedule, caused by an interruption of service to the described premises. The interruption in utility service must result from direct physical loss or damage by a Covered Cause of Loss (as indicated in the Schedule) to the property described in Paragraph C, if such property is indicated by an "X" in the Schedule.

**B. Exception**

Coverage under this endorsement for loss or damage to Covered Property does not apply to loss or damage to electronic data, including destruction or corruption of electronic data. The term electronic data has the meaning set forth in the Coverage Form to which this endorsement applies.

**C. Utility Services**

**1. Water Supply Services**, meaning the following types of property supplying water to the described premises:

- a. Pumping stations; and
- b. Water mains.

**2. Communication Supply Services**, meaning property supplying communication services, including telephone, radio, microwave or television services to the described premises, such as:

- a. Communication transmission lines, including optic fiber transmission lines;
- b. Coaxial cables; and
- c. Microwave radio relays except satellites.

It does not include overhead transmission lines unless indicated by an "X" in the Schedule.

3. **Power Supply Services**, meaning the following types of property supplying electricity, steam or gas to the described premises:

- a. Utility generating plants;
- b. Switching stations;
- c. Substations;
- d. Transformers; and
- e. Transmission lines.

It does not include overhead transmission lines unless indicated by an "X" in the Schedule.

D. If a Utility Services Limit Of Insurance is shown in the Schedule, such limit is part of, not in addition to, the Limit of Insurance stated in the Declarations or in the Separation Of Coverage endorsement as applicable to the Covered Property.

If no Limit of Insurance is shown for Utility Services, coverage under this endorsement is subject to the applicable Limit of Insurance on the Covered Property as shown in the Declarations or in the Separation Of Coverage endorsement. But this Utility Services endorsement does not increase the applicable Limit of Insurance.

COMMERCIAL PROPERTY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**BRANDS AND LABELS**

This endorsement modifies insurance provided under the following:

BUILDING AND PERSONAL PROPERTY COVERAGE FORM  
CONDOMINIUM ASSOCIATION COVERAGE FORM  
CONDOMINIUM COMMERCIAL UNIT-OWNERS COVERAGE FORM  
STANDARD PROPERTY POLICY

- A.** If branded or labeled merchandise that is Covered Property is damaged by a Covered Cause of Loss, we may take all or any part of the property at an agreed or appraised value. If so, you may:
1. Stamp "salvage" on the merchandise or its containers, if the stamp will not physically damage the merchandise; or
  2. Remove the brands or labels, if doing so will not physically damage the merchandise. You must relabel the merchandise or its containers to comply with the law.
- B.** We will pay reasonable costs you incur to perform the activity described in **A.1.** or **A.2.** above. But the total we pay for these costs and the value of the damaged property will not exceed the applicable Limit of Insurance on such property.

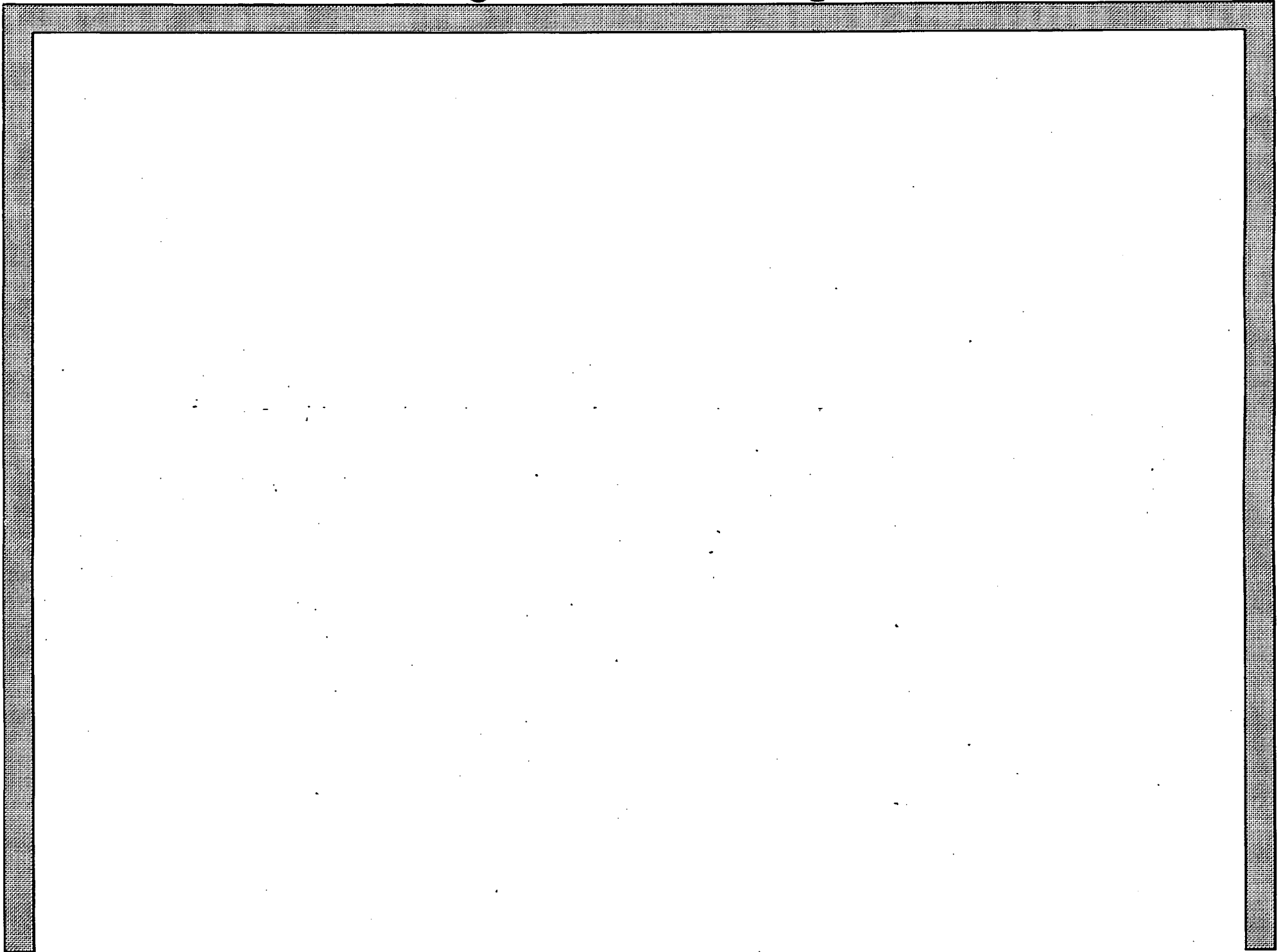
**Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for Coverages and Limits of Insurance.**

**LIABILITY COVERAGE**


FILED DATE: 8/7/2018 12:15 PM 2018CH10012

**LIABILITY COVERAGE**

**LIABILITY COVERAGE**





|  |   |  |           |
|--|---|--|-----------|
|  <b>WESTFIELD</b><br><b>INSURANCE</b><br><small>Sharing Knowledge. Building Trust.®</small>   |   | SR   |           |
| <b>RENEWAL</b><br><b>GENERAL LIABILITY DECLARATIONS</b>  |   |  |           |
| <b>COMPANY PROVIDING COVERAGE</b>  |   | <b>WESTFIELD INSURANCE COMPANY</b>                               |           |
| <b>NAMED INSURED AND MAILING ADDRESS</b>   | <b>AGENCY</b>   | 12-01377   | PROD. 000 |
| BEAR CONSTRUCTION COMPANY<br>ALGONQUIN ASSOCIATES, LLC<br>1501 ROHLWING ROAD<br>ROLLING MEADOWS IL 60008   | ASSURANCE AGENCY LTD<br>1750 E GOLF RD 11TH FLR<br>SCHAUMBURG IL 60173-5835<br>TELEPHONE 847-797-5700 |  |           |
| Policy Number: CMM 4 871 702   |   | WIC Account Number: 1200799809                                   |           |
| Policy Period From 01/01/16 To 01/01/17  |   | at 12:01 A.M. Standard Time at your mailing address shown above. |           |
| <b>LIMITS OF INSURANCE -</b>   |   |  |           |
| General Aggregate Limit (Other Than Products/Completed Operations)   |   | \$4,000,000  |           |
| Products/Completed Operations Aggregate Limit  |   | \$4,000,000  |           |
| Personal & Advertising Injury Limit (Per Person Or Organization)   |   | \$2,000,000  |           |
| Each Occurrence Limit  |   | \$2,000,000  |           |
| Damage to Premises Rented to You Limit   |   | (Any One Premises)   | \$150,000 |
| Medical Expense Limit  |   | (Any One Person)   | \$10,000  |
|  |   |  |           |
| <b>TOTAL ADVANCE ANNUAL GENERAL LIABILITY PREMIUM \$101,509.00</b>   |   |  |           |
|  |   |  |           |
| <b>Deductible Liability Insurance Applies</b>  |   |  |           |
| <b>Forms And Endorsements Applicable To This Coverage Part:</b>  |   |  |           |
| CG0300A 0196*, CG2167 1204*, CG2154 0196*, CG0435 1207*, CG0001 0413*,<br>IL0021 0908*, CG7000 1298*, CG2503 0509*, CG2504A 0509*, CG2147 1207*,<br>CG7068 0103*, CG7017 1298*, CG2106 0514*, IL7013 1206*, CG2173 0115*,<br>CG2659 0600*, CG0200 1207*, CG2426 0413*, CG2279 0413*, CG2186 1204*,<br>CG2196 0305*, CG2010 1001*, CG2037 1001*, CG2010 0704*, CG2037 0704*,<br>CG0124 0193*, CG7137 1112*, CG2010 0413*, CG2037 0413*. |   |  |           |



**RENEWAL  
GENERAL LIABILITY DECLARATIONS  
(Continued)**

**WESTFIELD INSURANCE COMPANY**

**HF**


**WESTFIELD  
INSURANCE**

Sharing Knowledge. Building Trust.®

SR

**RENEWAL  
GENERAL LIABILITY DECLARATIONS  
(Continued)**
**COMPANY PROVIDING COVERAGE****WESTFIELD INSURANCE COMPANY****NAMED INSURED AND MAILING ADDRESS****AGENCY**

12-01377

**PROD.**

000

BEAR CONSTRUCTION COMPANY  
ALGONQUIN ASSOCIATES, LLC  
1501 ROHLWING ROAD  
ROLLING MEADOWS IL 60008

ASSURANCE AGENCY LTD  
1750 E GOLF RD 11TH FLR  
SCHAUMBURG IL 60173-5835  
TELEPHONE 847-797-5700

**Policy Number:** CMM 4 871 702

| 11 |

**WIC Account Number:** 1200799809

| M

**Policy  
Period****From  
To**01/01/16  
01/01/17

at 12:01 A.M. Standard Time at your  
mailing address shown above.

**CLASSIFICATION****CODE****PREMIUM  
BASIS****RATE****PREMIUM**

1 N LASALLE ST  
CHICAGO IL 60601  
BUILDINGS OR PREMISES - BANK  
OR OFFICE - MERCANTILE OR  
MANUFACTURING (LESSOR'S RISK  
ONLY) - OTHER THAN NOT-FOR-  
PROFIT - INCLUDING PRODUCTS  
AND/OR COMPLETED OPERATIONS.  
PRODUCTS-COMPLETED OPERATIONS  
INCLUDED IN THIS  
CLASSIFICATION ARE SUBJECT TO  
THE GENERAL AGGREGATE LIMIT.

61212

A  
6,269

PREM/OP 13.050

\$82

222 W MERCHANDISE MART PLAZA  
CHICAGO IL 60654  
BUILDINGS OR PREMISES - BANK  
OR OFFICE - MERCANTILE OR  
MANUFACTURING MAINTAINED BY  
THE INSURED (LESSOR'S RISK  
ONLY) - OTHER THAN NOT-FOR-  
PROFIT - INCLUDING PRODUCTS  
AND/OR COMPLETED OPERATIONS.  
PRODUCTS-COMPLETED OPERATIONS  
INCLUDED IN THIS  
CLASSIFICATION ARE SUBJECT TO  
THE GENERAL AGGREGATE LIMIT.

61217

A  
1,450

PREM/OP 11.226

\$16

**WISCONSIN**

411 W WISCONSIN AVE #500  
MILWAUKEE WI 53202  
BUILDINGS OR PREMISES - BANK  
OR OFFICE - MERCANTILE OR  
MANUFACTURING (LESSOR'S RISK  
ONLY) - OTHER THAN NOT-FOR-  
PROFIT - INCLUDING PRODUCTS  
AND/OR COMPLETED OPERATIONS.  
PRODUCTS-COMPLETED OPERATIONS  
INCLUDED IN THIS  
CLASSIFICATION ARE SUBJECT TO  
THE GENERAL AGGREGATE LIMIT.

61212

A  
4,500

PREM/OP 17.255

\$78

PREM/OP MP \$97  
PROD MP \$85


**ADDITIONAL COVERAGES AND ENDORSEMENTS -**

EMPLOYEE BENEFITS LIABILITY COVERAGE \$227  
ADDL INSD OWNR, LESSEE OR CONTRACTOR(CG2010) \$1,500  
ADDL INSD OWNR, LESSEE OR CONTRACTOR(CG2037) \$2,500  
CONTRACTORS HOME REPAIR AND REMODELING - CG2659 \$100  
SIGNATURE SERIES COMML GL CONTRACTORS ENDT \$1,000

**TOTAL**

TOTAL PREMIUM - PREMISES AND OPERATIONS \$67,030  
TOTAL PREMIUM - PRODUCTS AND COMPLETED OPERATIONS \$29,152  
TOTAL PREMIUM - ADDITIONAL COVERAGES AND ENDORSEMENTS \$5,327

**TOTAL ADVANCE ANNUAL GENERAL LIABILITY PREMIUM \$101,509**

|   |  |   |                  |
|---|--|---|------------------|
|  <b>WESTFIELD</b><br><b>INSURANCE</b><br>Sharing Knowledge. Building Trust.®                       |  | <b>SR</b>   |                  |
|   |  | <b>RENEWAL</b><br><b>GENERAL LIABILITY DECLARATIONS</b><br>(Continued)  |                  |
| <b>COMPANY PROVIDING COVERAGE</b>   |  | <b>WESTFIELD INSURANCE COMPANY</b>  |                  |
| <b>NAMED INSURED AND MAILING ADDRESS</b>  | <b>AGENCY</b>  | <b>12-01377</b>   | <b>PROD. 000</b> |
| BEAR CONSTRUCTION COMPANY<br>ALGONQUIN ASSOCIATES, LLC<br>1501 ROHLWING ROAD<br>ROLLING MEADOWS IL 60008  | ASSURANCE AGENCY LTD<br>1750 E GOLF RD 11TH FLR<br>SCHAMBURG IL 60173-5835<br>TELEPHONE 847-797-5700 |   |                  |
| <b>Policy Number: CMM 4 871 702</b>   |  | <b>WIC Account Number: 1200799809</b>   |                  |
| <b>Policy Period</b><br>From 01/01/16<br>To 01/01/17  | <b>at 12:01 A.M. Standard Time at your mailing address shown above.</b>                              |   |                  |
| <b>ADDITIONAL INSURED</b>   |  |   |                  |
| AUTOMATIC STATUS-REQUIRED BY<br>WRITTEN CONTRACT OR AGREEMENT<br>CG2010<br>CHICAGO IL 60654<br>ADDITIONAL INSURED -<br>OWNER, LESSEE OR CONTRACTOR<br>(CG2010)                      |  | CNA % BUCK MANAGEMENT GROUP<br>LLC<br>60 EAST VAN BUREN 3RD FLOOR<br>CHICAGO IL 60605<br>ADDITIONAL INSURED -<br>OWNER, LESSEE OR CONTRACTOR<br>(CG2010)                      |                  |
| AUTOMATIC STATUS-REQUIRED BY<br>WRITTEN CONTRACT OR AGREEMENT<br>CG2037<br>CHICAGO IL 60654<br>ADDITIONAL INSURED -<br>OWNER, LESSEE OR CONTRACTOR<br>COMPLETED OPERATIONS (CG2037) |  | CNA % BUCK MANAGEMENT GROUP<br>LLC<br>60 EAST VAN BUREN 3RD FLOOR<br>CHICAGO IL 60605<br>ADDITIONAL INSURED -<br>OWNER, LESSEE OR CONTRACTOR<br>COMPLETED OPERATIONS (CG2037) |                  |

POLICY NUMBER: CMM 4871702

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DEDUCTIBLE LIABILITY INSURANCE**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART**SCHEDULE**

| Coverage   | Amount and Basis of Deductible |                   |
|--|--------------------------------|-------------------|
|  | PER CLAIM                      | or PER OCCURRENCE |
| Bodily Injury Liability  | \$                             | \$                |
| OR   |                                |                   |
| Property Damage Liability  | \$                             | \$ 5,000          |
| OR   |                                |                   |
| Bodily Injury Liability and/or<br>Property Damage Liability Combined | \$                             | \$                |

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

**APPLICATION OF ENDORSEMENT** (Enter below any limitations on the application of this endorsement. If no limitation is entered, the deductibles apply to damages for all "bodily injury" and "property damage", however caused): -*If any other endorsement modifying the COMMERCIAL GENERAL LIABILITY COVERAGE PART contains a deductible clause, then this endorsement does not apply to any claim covered by that endorsement.*

- A.** Our obligation under the Bodily Injury Liability and Property Damage Liability Coverages to pay damages on your behalf applies only to the amount of damages in excess of any deductible amounts stated in the Schedule above as applicable to such coverages.
- B.** You may select a deductible amount on either a per claim or a per "occurrence" basis. Your selected deductible applies to the coverage option and to the basis of the deductible indicated by the placement of the deductible amount in the Schedule above. The deductible amount stated in the Schedule above applies as follows:
- 1. PER CLAIM BASIS.** If the deductible amount indicated in the Schedule above is on a per claim basis, that deductible applies as follows:
    - a. Under Bodily Injury Liability Coverage, to all damages sustained by any one person because of "bodily injury";
    - b. Under Property Damage Liability Coverage, to all damages sustained by any one person because of "property damage"; or
    - c. Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages sustained by any one person because of:
      - (1) "Bodily injury";
      - (2) "Property damage"; or
      - (3) "Bodily injury" and "property damage" combined

as the result of any one "occurrence".

If damages are claimed for care, loss of services or death resulting at any time from "bodily injury", a separate deductible amount will be applied to each person making a claim for such damages.

With respect to "property damage", person includes an organization.

**2. PER OCCURRENCE BASIS.** If the deductible amount indicated in the Schedule above is on a "per occurrence" basis, that deductible amount applies as follows:

- a. Under Bodily Injury Liability Coverage, to all damages because of "bodily injury";
- b. Under Property Damage Liability Coverage, to all damages because of "property damage"; or
- c. Under Bodily Injury Liability and/or Property Damage Liability Coverage Combined, to all damages because of:

(1) "Bodily injury";

(2) "Property damage"; or

(3) "Bodily injury" and "property damage" combined

as the result of any one "occurrence", regardless of the number of persons or organizations who sustain damages because of that "occurrence".

**C.** The terms of this insurance, including those with respect to:

1. Our right and duty to defend the insured against any "suits" seeking those damages; and
2. Your duties in the event of an "occurrence," claim, or "suit"

apply irrespective of the application of the deductible amount.

**D.** We may pay any part or all of the deductible amount to effect settlement of any claim or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as has been paid by us.

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**FUNGI OR BACTERIA EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

- A. The following exclusion is added to Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:

**2. Exclusions**

This insurance does not apply to:

**Fungi or Bacteria**

- a. "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

This exclusion does not apply to any "fungi" or bacteria that are, are on, or are contained in, a good or product intended for bodily consumption.

- B. The following exclusion is added to Paragraph 2. Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:

**2. Exclusions**

This insurance does not apply to:

**Fungi or Bacteria**

- a. "Personal and advertising injury" or which would not have taken place, in whole or in part, but for the actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents, regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- b. Any loss, cost or expense arising out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

- C. The following definition is added to the Definitions Section:

"Fungi" means any type or form of fungus, including mold or mildew and any mycotoxins, spores, scents or byproducts produced or released by fungi.



POLICY NUMBER: CMM 4871702

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - DESIGNATED OPERATIONS COVERED BY A  
CONSOLIDATED (WRAP-UP) INSURANCE PROGRAM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART.

**SCHEDULE**

**Description and Location of Operation(s):**

UNIVERSITY OF CHICAGO MEDICAL CENTER #13-4386-018-058-002  
5700 SOUTH MARYLAND AVENUE  
CHICAGO IL 60637

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The following exclusion is added to paragraph 2., Exclusions of COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY (Section I - Coverages):

This insurance does not apply to "bodily injury" or "property damage" arising out of either your ongoing operations or operations included within the "products-completed operations hazard" at the location described in the Schedule of this endorsement, as a consolidated (wrap-up) insurance program has been provided by the prime

contractor/project manager or owner of the construction project in which you are involved.

This exclusion applies whether or not the consolidated (wrap-up) insurance program:

- (1) Provides coverage identical to that provided by this Coverage Part;
- (2) Has limits adequate to cover all claims; or
- (3) Remains in effect.

POLICY NUMBER: CMM 4871702

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EMPLOYEE BENEFITS LIABILITY COVERAGE****THIS ENDORSEMENT PROVIDES CLAIMS-MADE COVERAGE.  
PLEASE READ THE ENTIRE ENDORSEMENT CAREFULLY.**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

| Coverage   | Limit Of Insurance         | Each Employee Deductible | Premium |
|--|----------------------------|--------------------------|---------|
| Employee Benefits  | \$ 1,000,000 each employee | \$ 1,000                 | \$ INCL |
| Programs   | \$ 1,000,000 aggregate     |                          |         |
| Retroactive Date:  | 06/30/06                   |                          |         |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |                            |                          |         |

**A. The following is added to Section I - Coverages:****COVERAGE - EMPLOYEE BENEFITS LIABILITY****1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of any act, error or omission, of the insured, or of any other person for whose acts the insured is legally liable, to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages to which this insurance does not apply. We may, at our discretion, investigate any report of an act, error or omission and settle any "claim" or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Paragraph D. (Section III - Limits Of Insurance); and
- (2) Our right and duty to defend ends when we have used up the applicable limit of insurance in the payment of judgments or settlements.

No other obligation or liability to pay sums or perform acts or ser-

vices is covered unless explicitly provided for under Supplementary Payments.

**b. This insurance applies to damages only if:**

- (1) The act, error or omission, is negligently committed in the "administration" of your "employee benefit program";
- (2) The act, error or omission, did not take place before the Retroactive Date, if any, shown in the Schedule nor after the end of the policy period; and
- (3) A "claim" for damages, because of an act, error or omission, is first made against any insured, in accordance with Paragraph c. below, during the policy period or an Extended Reporting Period we provide under Paragraph F. of this endorsement.

**c. A "claim" seeking damages will be deemed to have been made at the earlier of the following times:**

- (1) When notice of such "claim" is received and recorded by any insured or by us, whichever comes first; or
- (2) When we make settlement in accordance with Paragraph a. above.

A "claim" received and recorded by the insured within 60 days after the end of the policy period will be considered to have been received within the policy period, if no subsequent policy is available to cover the claim.

- d. All "claims" for damages made by an "employee" because of any act, error or omission, or a series of related acts, errors or omissions, including damages claimed by such "employee's" dependents and beneficiaries, will be deemed to have been made at the time the first of those "claims" is made against any insured.

## 2. Exclusions

This insurance does not apply to:

a. **Dishonest, Fraudulent, Criminal Or Malicious Act**

Damages arising out of any intentional, dishonest, fraudulent, criminal or malicious act, error or omission, committed by any insured, including the willful or reckless violation of any statute.

b. **Bodily Injury, Property Damage, Or Personal And Advertising Injury**

"Bodily injury", "property damage" or "personal and advertising injury".

c. **Failure to Perform A Contract**

Damages arising out of failure of performance of contract by any insurer.

d. **Insufficiency Of Funds**

Damages arising out of an insufficiency of funds to meet any obligations under any plan included in the "employee benefit program".

e. **Inadequacy Of Performance Of Investment/Advice Given With Respect To Participation**

Any "claim" based upon:

- (1) Failure of any investment to perform;
- (2) Errors in providing information on past performance of investment vehicles; or
- (3) Advice given to any person with respect to that person's decision to participate or not to participate in any plan included in the "employee benefit program".

f. **Workers' Compensation And Similar Laws**

Any "claim" arising out of your failure to comply with the mandatory provisions of any workers' compensation, unemployment compensation insurance, social security or disability benefits law or any similar law.

g. **ERISA**

Damages for which any insured is liable because of liability imposed on a fiduciary by the Employee Retirement Income Security Act of 1974, as now or hereafter amended, or by any similar federal, state or local laws.

h. **Available Benefits**

Any "claim" for benefits to the extent that such benefits are available, with reasonable effort and cooperation of the insured, from the applicable funds accrued or other collectible insurance.

i. **Taxes, Fines Or Penalties**

Taxes, fines or penalties, including those imposed under the Internal Revenue Code or any similar state or local law.

j. **Employment-Related Practices**

Damages arising out of wrongful termination of employment, discrimination, or other employment-related practices.

B. For the purposes of the coverage provided by this endorsement:

1. All references to Supplementary Payments - Coverages A and B are replaced by Supplementary Payments - Coverages A, B and Employee Benefits Liability.
2. Paragraphs 1.b. and 2. of the Supplementary Payments provision do not apply.

C. For the purposes of the coverage provided by this endorsement, Paragraphs 2. and 3. of Section II - Who Is An Insured are replaced by the following:

2. Each of the following is also an insured:
  - a. Each of your "employees" who is or was authorized to administer your "employee benefit program".
  - b. Any persons, organizations or "employees" having proper temporary authorization to administer your "employee benefit program" if you die, but only until your legal representative is appointed.

- c. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Endorsement.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if no other similar insurance applies to that organization. However:
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier.
- b. Coverage under this provision does not apply to any act, error or omission that was committed before you acquired or formed the organization.
- D. For the purposes of the coverage provided by this endorsement, **Section III - Limits Of Insurance** is replaced by the following:

**1. Limits Of Insurance**

- a. The Limits of Insurance shown in the Schedule and the rules below fix the most we will pay regardless of the number of:
- (1) Insureds;
- (2) "Claims" made or "suits" brought;
- (3) Persons or organizations making "claims" or bringing "suits";
- (4) Acts, errors or omissions; or
- (5) Benefits included in your "employee benefit program".
- b. The Aggregate Limit is the most we will pay for all damages because of acts, errors or omissions negligently committed in the "administration" of your "employee benefit program".
- c. Subject to the Aggregate Limit, the Each Employee Limit is the most we will pay for all damages sustained by any one "employee", including damages sustained by such "employee's" dependents and beneficiaries, as a result of:

- (1) An act, error or omission; or
- (2) A series of related acts, errors or omissions

negligently committed in the "administration" of your "employee benefit program".

However, the amount paid under this endorsement shall not exceed, and will be subject to, the limits and restrictions that apply to the payment of benefits in any plan included in the "employee benefit program".

The Limits of Insurance of this endorsement apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations of the policy to which this endorsement is attached, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Insurance.

**2. Deductible**

- a. Our obligation to pay damages on behalf of the insured applies only to the amount of damages in excess of the deductible amount stated in the Schedule as applicable to Each Employee. The limits of insurance shall not be reduced by the amount of this deductible.
- b. The deductible amount stated in the Schedule applies to all damages sustained by any one "employee", including such "employee's" dependents and beneficiaries, because of all acts, errors or omissions to which this insurance applies.
- c. The terms of this insurance, including those with respect to:
- (1) Our right and duty to defend any "suits" seeking those damages; and
- (2) Your duties, and the duties of any other involved insured, in the event of an act, error or omission, or "claim"

apply irrespective of the application of the deductible amount.

- d. We may pay any part or all of the deductible amount to effect settlement of any "claim" or "suit" and, upon notification of the action taken, you shall promptly reimburse us for such part of the deductible amount as we have paid.

E. For the purposes of the coverage provided by this endorsement, Conditions 2. and 4. of **Section IV - Commercial General Liability Conditions** are replaced by the following:

**2. Duties In The Event Of An Act, Error Or Omission, Or "Claim" Or "Suit"**

- a. You must see to it that we are notified as soon as practicable of an act, error or omission which may result in a "claim". To the extent possible, notice should include:

- (1) What the act, error or omission was and when it occurred; and
- (2) The names and addresses of anyone who may suffer damages as a result of the act, error or omission.

- b. If a "claim" is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the "claim" or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the "claim" or "suit" as soon as practicable.

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organ-

ization which may be liable to the insured because of an act, error or omission to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation or incur any expense without our consent.

**4. Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under this endorsement, our obligations are limited as follows:

**a. Primary Insurance**

This insurance is primary except when Paragraph b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph c. below.

**b. Excess Insurance**

- (1) This insurance is excess over any of the other insurance, whether primary, excess, contingent or on any other basis that is effective prior to the beginning of the policy period shown in the Schedule of this insurance and that applies to an act, error or omission on other than a claims-made basis, if:

- (a) No Retroactive Date is shown in the Schedule of this insurance; or

- (b) The other insurance has a policy period which continues after the Retroactive Date shown in the Schedule of this insurance.

- (2) When this insurance is excess, we will have no duty to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

(3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of the total amount that all such other insurance would pay for the loss in absence of this insurance; and the total of all deductible and self-insured amounts under all that other insurance.

(4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Schedule of this endorsement.

**c. Method Of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limits of insurance to the total applicable limits of insurance of all insurers.

F. For the purposes of the coverage provided by this endorsement, the following Extended Reporting Period provisions are added, or, if this endorsement is attached to a claims-made Coverage Part, replaces any similar Section in that Coverage Part:

**EXTENDED REPORTING PERIOD**

1. You will have the right to purchase an Extended Reporting Period, as described below, if:

- a. This endorsement is canceled or not renewed; or
- b. We renew or replace this endorsement with insurance that:

(1) Has a Retroactive Date later than the date shown in the Schedule of this endorsement; or

(2) Does not apply to an act, error or omission on a claims-made basis.

2. The Extended Reporting Period does not extend the policy period or change the scope of coverage provided. It applies only to "claims" for acts, errors or omissions that were first committed before the end of the policy period but not before the Retroactive Date, if any, shown in the Schedule. Once in effect, the Extended Reporting Period may not be canceled.

3. An Extended Reporting Period of five years is available, but only by an endorsement and for an extra charge.

You must give us a written request for the endorsement within 60 days after the end of the policy period. The Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.

We will determine the additional premium in accordance with our rules and rates. In doing so, we may take into account the following:

- a. The "employee benefit programs" insured;
- b. Previous types and amounts of insurance;
- c. Limits of insurance available under this endorsement for future payment of damages; and
- d. Other related factors.

The additional premium will not exceed 100% of the annual premium for this endorsement.

The Extended Reporting Period endorsement applicable to this coverage shall set forth the terms, not inconsistent with this Section, applicable to the Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectible insurance available under policies in force after the Extended Reporting Period starts.

4. If the Extended Reporting Period is in effect, we will provide an extended reporting period aggregate limit of insurance described below, but only for claims first received and recorded during the Extended Reporting Period.

The extended reporting period aggregate limit of insurance will be equal to the dollar amount shown in the Schedule of this endorsement under Limits of Insurance.



Paragraph D.1.b. of this endorsement will be amended accordingly. The Each Employee Limit shown in the Schedule will then continue to apply as set forth in Paragraph D.1.c.

**G. For the purposes of the coverage provided by this endorsement, the following definitions are added to the Definitions Section:**

**1. "Administration" means:**

- a. Providing information to "employees", including their dependents and beneficiaries, with respect to eligibility for or scope of "employee benefit programs";
- b. Handling records in connection with the "employee benefit program"; or
- c. Effecting, continuing or terminating any "employee's" participation in any benefit included in the "employee benefit program".

However, "administration" does not include handling payroll deductions.

- 2. "Cafeteria plans" means plans authorized by applicable law to allow employees to elect to pay for certain benefits with pre-tax dollars.
- 3. "Claim" means any demand, or "suit", made by an "employee" or an "employee's" dependents and beneficiaries, for damages as the result of an act, error or omission.
- 4. "Employee benefit program" means a program providing some or all of the following benefits to "employees", whether providing through a "cafeteria plan" or otherwise:
  - a. Group life insurance, group accident or health insurance, dental, vision and hearing plans, and flexible spending accounts, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to those "employees" who satisfy the plan's eligibility requirements;

- b. Profit sharing plans, employee savings plans, employee stock ownership plans, pension plans and stock subscription plans, provided that no one other than an "employee" may subscribe to such benefits and such benefits are made generally available to all "employees" who are eligible under the plan for such benefits;

- c. Unemployment insurance, social security benefits, workers' compensation and disability benefits;

- d. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies; and

- e. Any other similar benefits designated in the Schedule or added thereto by endorsement.

**H. For the purposes of the coverage provided by this endorsement, Definitions 5. and 18. in the Definitions Section are replaced by the following:**

- 5. "Employee" means a person actively employed, formerly employed, on leave of absence or disabled, or retired. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

- 18. "Suit" means a civil proceeding in which damages because of an act, error or omission to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or

- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.



## COMMERCIAL GENERAL LIABILITY

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we," "us" and "our" refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under Section II - Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

**SECTION I - COVERAGES****COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY****1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply. We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "bodily injury" and "property damage" only if:

- (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory;"

- (2) The "bodily injury" or "property damage" occurs during the policy period; and

- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II - Who Is An Insured and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II - Who Is An Insured or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;
- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
- (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.

- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury."

**2. Exclusions**

This insurance does not apply to:

**a. Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

**b. Contractual Liability**

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorneys' fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be damages because of "bodily injury" or "property damage", provided:
  - (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
  - (b) Such attorneys' fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

**c. Liquor Liability**

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or

- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

However, this exclusion applies only if you are in the business of manufacturing, distributing, selling, serving or furnishing alcoholic beverages. For the purposes of this exclusion, permitting a person to bring alcoholic beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

**d. Workers' Compensation And Similar Laws**

Any obligation of the insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

**e. Employer's Liability**

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
  - (a) Employment by the insured; or
  - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract."

**f. Pollution**

**(1)** "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

**(a)** At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. However, this subparagraph does not apply to:

**(i)** "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify the building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;

**(ii)** "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or

**(iii)** "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

**(b)** At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;

**(c)** Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for:

**(i)** Any insured; or

**(ii)** Any person or organization for whom you may be legally responsible; or

**(d)** At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor. However, this subparagraph does not apply to:

**(i)** "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

**(ii)** "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or

**(iii)** "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

(e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

(2) Any loss, cost or expense arising out of any:

(a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or

(b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of "pollutants".

However, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

**g. Aircraft, Auto Or Watercraft**

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading."

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

(1) A watercraft while ashore on premises you own or rent;

(2) A watercraft you do not own that is:

(a) Less than 26 feet long; and

(b) Not being used to carry persons or property for a charge;

(3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;

(4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or

(5) "Bodily injury" or "property damage" arising out of:

(a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or

(b) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment."

**h. Mobile Equipment**

"Bodily injury" or "property damage" arising out of:

(1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or

(2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunt activity.

**i. War**

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

(1) War, including undeclared or civil war;

(2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**j. Damage To Property**

"Property damage" to:

- (1) Property you own, rent, or occupy, including any costs or expenses incurred by you, or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to "property damage" (other than damage by fire) to premises, including the contents of such premises, rented to you for a period of seven or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in Section III - Limits Of Insurance.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard."

**k. Damage To Your Product**

"Property damage" to "your product" arising out of it or any part of it.

**l. Damage To Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard."

This exclusion does not apply if the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor.

**m. Damage To Impaired Property Or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work;" or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

**n. Recall Of Products, Work Or Impaired Property**

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product;"
- (2) "Your work;" or
- (3) "Impaired property;"

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

**o. Personal And Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

**p. Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

However, this exclusion does not apply to liability for damages because of "bodily injury".



As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

**q. Recording And Distribution Of Material Or Information In Violation Of Law**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

Exclusions c. through n. do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section III - Limits Of Insurance.

**COVERAGE B - PERSONAL AND ADVERTISING INJURY LIABILITY**

**1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply. We may at our discretion investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III - Limits Of Insurance; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under Coverages A or B or medical expenses under Coverage C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments - Coverages A and B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

**2. Exclusions**

This insurance does not apply to:

- a. **Knowing Violation Of Rights Of Another**  
"Personal and advertising injury" caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".
- b. **Material Published With Knowledge Of Falsity**  
"Personal and advertising injury" arising out of oral or written publication, in any manner, of material, if done by or at the direction of the insured with knowledge of its falsity.
- c. **Material Published Prior To Policy Period**  
"Personal and advertising injury" arising out of oral or written publication, in any manner, of material whose first publication took place before the beginning of the policy period.
- d. **Criminal Acts**  
"Personal and advertising injury" arising out of a criminal act committed by or at the direction of the insured.
- e. **Contractual Liability**  
"Personal and advertising injury" for which the insured has assumed liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.
- f. **Breach Of Contract**  
"Personal and advertising injury" arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

**g. Quality Or Performance Of Goods - Failure To Conform To Statements**

"Personal and advertising injury" arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

**h. Wrong Description Of Prices**

"Personal and advertising injury" arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

**i. Infringement Of Copyright, Patent, Trademark Or Trade Secret**

"Personal and advertising injury" arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement".

However, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

**j. Insureds In Media And Internet Type Businesses**

"Personal and advertising injury" committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of websites for others; or
- (3) An Internet search, access, content or service provider.

However, this exclusion does not apply to Paragraphs 14.a., b. and c. of "personal and advertising injury" under the Definitions section.

For the purposes of this exclusion, the placing of frames, borders or links, or advertising, for you or others anywhere on the Internet, is not by itself, considered the business of advertising, broadcasting, publishing or telecasting.

**k. Electronic Chatrooms Or Bulletin Boards**

"Personal and advertising injury" arising out of an electronic chatroom or bulletin board the insured hosts, owns, or over which the insured exercises control.

**l. Unauthorized Use Of Another's Name Or Product**

"Personal and advertising injury" arising out of the unauthorized use of another's name or product in your e-mail address,

domain name or metatag, or any other similar tactics to mislead another's potential customers.

**m. Pollution**

"Personal and advertising injury" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

**n. Pollution - related**

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**o. War**

"Personal and advertising injury", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**p. Recording And Distribution Of Material Or Information In Violation Of Law**

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;



- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

### COVERAGE C - MEDICAL PAYMENTS

#### 1. Insuring Agreement

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
  - (1) On premises you own or rent;
  - (2) On ways next to premises you own or rent; or
  - (3) Because of your operations;
 provided that:
  - (a) The accident takes place in the "coverage territory" and during the policy period;
  - (b) The expenses are incurred and reported to us within one year of the date of the accident; and
  - (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
  - (1) First aid administered at the time of an accident;
  - (2) Necessary medical, surgical, X-ray and dental services, including prosthetic devices; and
  - (3) Necessary ambulance, hospital, professional nursing and funeral services.

#### 2. Exclusions

We will not pay expenses for "bodily injury:"

##### a. Any insured

To any insured, except "volunteer workers".

##### b. Hired Person

To a person hired to do work for or on behalf of any insured or a tenant of any insured.

##### c. Injury On Normally Occupied Premises

To a person injured on that part of premises you own or rent that the person normally occupies.

##### d. Workers' Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

##### e. Athletics Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.

##### f. Products - Completed Operations Hazard

Included within the "products-completed operations hazard."

##### g. Coverage A Exclusions

Excluded under Coverage A.

### SUPPLEMENTARY PAYMENTS - COVERAGES A AND B

- 1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
  - a. All expenses we incur.
  - b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
  - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
  - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit," including actual loss of earnings up to \$250 a day because of time off from work.
  - e. All court costs taxed against the insured in the "suit." However, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.

- f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
- g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

- 2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
  - a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
  - b. This insurance applies to such liability assumed by the insured;
  - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
  - d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
  - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
  - f. The indemnitee:

(1) Agrees in writing to:

- (a) Cooperate with us in the investigation, settlement or defense of the "suit";
- (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
- (c) Notify any other insurer whose coverage is available to the indemnitee; and

- (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and

(2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "suit"; and
- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I Coverage A - Bodily Injury And Property Damage Liability, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when we have used up the applicable limit of insurance in the payment of judgments or settlements or the conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

## SECTION II - WHO IS AN INSURED

- 1. If you are designated in the Declarations as:
  - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
  - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
  - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
  - d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.
2. Each of the following is also an insured:
- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:
- (1) "Bodily injury" or "personal and advertising injury":
- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business or to your other "volunteer workers" while performing duties related to the conduct of your business;
- (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1) (a) above;
- (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraph (1) (a) or (b) above; or
- (d) Arising out of his or her providing or failing to provide professional health care services.
- (2) "Property damage" to property:
- (a) Owned, occupied or used by;
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;
- you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).
- b. Any person (other than your "employee" or "volunteer worker", or any organization while acting as your real estate manager.
- c. Any person or organization having proper temporary custody of your property if you die, but only:
- (1) With respect to liability arising out of the maintenance or use of that property; and
- (2) Until your legal representative has been appointed.
- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Coverage Part.
3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:
- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. Coverage A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. Coverage B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
- No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.
- ### SECTION III - LIMITS OF INSURANCE
1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
- a. Insureds;
- b. Claims made or "suits" brought; or
- c. Persons or organizations making claims or bringing "suits."
2. The General Aggregate Limit is the most we will pay for the sum of:
- a. Medical expenses under Coverage C;
- b. Damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard;" and

- c. Damages under Coverage B.
3. The Products-Completed Operations Aggregate Limit is the most we will pay under Coverage A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard."
  4. Subject to Paragraph 2. above, the Personal And Advertising Injury Limit is the most we will pay under Coverage B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.
  5. Subject to Paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:
    - a. Damages under Coverage A; and
    - b. Medical expenses under Coverage C
 because of all "bodily injury" and "property damage" arising out of any one "occurrence."
  6. Subject to Paragraph 5. above, the Damage To Premises Rented To You Limit is the most we will pay under Coverage A for damages because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
  7. Subject to Paragraph 5. above, the Medical Expense Limit is the most we will pay under Coverage C for all medical expenses because of "bodily injury" sustained by any one person.

The Limits of Insurance of this Coverage Part apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

#### **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**

##### **1. Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Coverage Part.

##### **2. Duties In The Event Of Occurrence, Offense, Claim Or Suit**

- a. You must see to it that we are notified as soon as practicable of an "occurrence" or an offense which may result in a claim. To the extent possible, notice should include:

- (1) How, when and where the "occurrence" or offense took place;

- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

- b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit;"
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit"; and
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the insured because of injury or damage to which this insurance may also apply.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

##### **3. Legal Action Against Us**

No person or organization has a right under this Coverage Part:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or
- b. To sue us on this Coverage Part unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Coverage Part or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

**4. Other Insurance**

If other valid and collectible insurance is available to the insured for a loss we cover under Coverages A or B of this Coverage Part, our obligations are limited as follows:

**a. Primary Insurance**

This insurance is primary except when Paragraph b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph c. below.

**b. Excess Insurance****(1) This insurance is excess over:**

- (a) Any of the other insurance, whether primary, excess, contingent or on any other basis:
  - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work;"
  - (ii) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;
  - (iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or
  - (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. of Section I - Coverage A - Bodily Injury And Property Damage Liability.
- (b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured.

- (2) When this insurance is excess, we will have no duty under Coverages A or B to defend the insured against any "suit" if any other insurer has a duty to defend the insured against

that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

- (3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and

- (b) The total of all deductible and self-insured amounts under all that other insurance.

- (4) We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Coverage Part.

**c. Method Of Sharing**

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

**5. Premium Audit**

- a. We will compute all premiums for this Coverage Part in accordance with our rules and rates.
- b. Premium shown in this Coverage Part as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.



**6. Representations**

By accepting this policy, you agree:

- a. The statements in the Declarations are accurate and complete;
- b. Those statements are based upon representations you made to us; and
- c. We have issued this policy in reliance upon your representations.

**7. Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Coverage Part to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom claim is made or "suit" is brought.

**8. Transfer Of Rights Of Recovery Against Others To Us**

If the insured has rights to recover all or part of any payment we have made under this Coverage Part, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

**9. When We Do Not Renew**

If we decide not to renew this Coverage Part, we will mail or deliver to the first Named Insured shown in the Declarations written notice of the nonrenewal not less than 30 days before the expiration date.

If notice is mailed, proof of mailing will be sufficient proof of notice.

**SECTION V - DEFINITIONS**

1. "Advertisement" means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

- a. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
- b. Regarding web-sites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.

2. "Auto" means:

- a. A land motor vehicle, trailer or semi-trailer designed for travel on public

roads, including any attached machinery or equipment; or

- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

3. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.

4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in Paragraph a. above; or
- c. All other parts of the world if the injury or damage arises out of:
  - (1) Goods or products made or sold by you in the territory described in Paragraph a. above; or
  - (2) The activities of a person whose home is in the territory described in Paragraph a. above, but is away for a short time on your business; or
  - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in Paragraph a. above or in a settlement we agree to.

5. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".
6. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
7. "Hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be.
8. "Impaired property" means tangible property, other than "your product" or "your work," that cannot be used or is less useful because:

- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by the repair, replacement, adjustment or removal of "your product" or "your work" or your fulfilling the terms of the contract or agreement.

9. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, re-

ports, surveys, field orders, change orders or drawings and specifications; or

- (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

- 10. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

- 11. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto;"
- b. While it is in or on an aircraft, watercraft or "auto;" or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto."

- 12. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - (1) Power cranes, shovels, loaders, diggers or drills; or
  - (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;



e. Vehicles not described in Paragraph a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

- (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
- (2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in Paragraph a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos:"

- (1) Equipment designed primarily for:
  - (a) Snow removal;
  - (b) Road maintenance, but not construction or resurfacing; or
  - (c) Street cleaning;
- (2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and
- (3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include any land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

13. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

14. "Personal and advertising injury" means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of pri-

vate occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;

- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

15. "Pollutants" mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

16. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
  - (1) Products that are still in your physical possession; or
  - (2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:
    - (a) When all of the work called for in your contract has been completed.
    - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.
    - (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials; or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy Schedule, states that products - completed operations are subject to the General Aggregate Limit.
17. "Property damage" means:
- Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
  - Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.
- For the purposes of this insurance, electronic data is not tangible property.
- As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
18. "Suit" means a civil proceeding in which damages because of "bodily injury", "property damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:
- An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
  - Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.
19. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
20. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
21. "Your product":
- Means:
    - Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
      - You;
      - Others trading under your name; or
      - A person or organization whose business or assets you have acquired; and
    - Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
  - Includes:
    - Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product;" and
    - The providing of or failure to provide warnings or instructions.
  - Does not include vending machines or other property rented to or located for the use of others but not sold.
22. "Your work":
- Means:
    - Work or operations performed by you or on your behalf; and
    - Materials, parts or equipment furnished in connection with such work or operations.
  - Includes:
    - Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
    - The providing of or failure to provide warnings or instructions.

POLICY NUMBER: CMM 4871702

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DESIGNATED CONSTRUCTION PROJECT(S)  
GENERAL AGGREGATE LIMIT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE****Designated Construction Projects:**

All Projects

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I - Coverage A and for all medical expenses caused by accidents under Section I - Coverage C, which can be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
1. A separate Designated Construction Project General Aggregate Limit applies to each designated construction project, and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
  2. The Designated Construction Project General Aggregate Limit is the most we will pay for the sum of all damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage C regardless of the number of:
    - a. Insureds;
    - b. Claims made or "suits" brought; or
    - c. Persons or organizations making claims or bringing "suits".
  3. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the Designated Construction Project General Aggregate Limit for that designated construction project. Such payments shall
- not reduce the General Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Construction Project General Aggregate Limit for any other designated construction project shown in the Schedule above.
4. The limits shown in the Declarations for Each Occurrence, Damage To Premises Rented To You and Medical Expense continue to apply. However, instead of being subject to the General Aggregate Limit shown in the Declarations, such limits will be subject to the applicable Designated Construction Project General Aggregate Limit.
- B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I - Coverage A and for all medical expenses caused by accidents under Section I - Coverage C, which cannot be attributed only to ongoing operations at a single designated construction project shown in the Schedule above:
1. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-Completed Operations Aggregate Limit, whichever is applicable; and
  2. Such payments shall not reduce any Designated Construction Project General Aggregate Limit.

- C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Construction Project General Aggregate Limit.
- D. If the applicable designated construction project has been abandoned, delayed, or abandoned and then restarted, or if the authorized contracting parties deviate from plans, blueprints, designs, specifications or timetables, the project will still be deemed to be the same construction project.
- E. The provisions of Section - III Limits of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

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POLICY NUMBER: CMM 4871702

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DESIGNATED LOCATION(S) GENERAL AGGREGATE LIMIT**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE****Designated Location(s):**

All rented, owned and occupied locations other than construction projects.

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I - Coverage A and for all medical expenses caused by accidents under Section I - Coverage C, which can be attributed only to operations at a single designated "location" shown in the Schedule above:
- Aggregate Limit shown in the Declarations nor shall they reduce any other Designated Location General Aggregate Limit for any other designated "location" shown in the Schedule above.
1. A separate Designated Location General Aggregate Limit applies to each designated "location", and that limit is equal to the amount of the General Aggregate Limit shown in the Declarations.
  2. The Designated Location General Aggregate Limit is the most we will pay for the sum of all damages under Coverage A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard", and for medical expenses under Coverage C regardless of the number of:
    - a. Insureds;
    - b. Claims made or "suits" brought; or
    - c. Persons or organizations making claims or bringing "suits".
  3. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the Designated Location General Aggregate Limit for that designated "location". Such payments shall not reduce the General
- B.** For all sums which the insured becomes legally obligated to pay as damages caused by "occurrences" under Section I - Coverage A and for all medical expenses caused by accidents under Section I - Coverage C, which cannot be attributed only to operations at a single designated "location" shown in the Schedule above:
1. Any payments made under Coverage A for damages or under Coverage C for medical expenses shall reduce the amount available under the General Aggregate Limit or the Products-completed Operations Aggregate Limit, whichever is applicable; and
  2. Such payments shall not reduce any Designated Location General Aggregate Limit.

- C. When coverage for liability arising out of the "products-completed operations hazard" is provided, any payments for damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard" will reduce the Products-completed Operations Aggregate Limit, and not reduce the General Aggregate Limit nor the Designated Location General Aggregate Limit.
- D. For the purposes of this endorsement, the **Definitions** Section is amended by the addition of the following definition:
- "Location" means premises involving the same or connecting lots, or premises whose connection is interrupted only by a street, roadway, waterway or right-of-way of a railroad.
- E. The provisions of Section III Limits of Insurance not otherwise modified by this endorsement shall continue to apply as stipulated.

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## COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **EMPLOYMENT - RELATED PRACTICES EXCLUSION**

This endorsement modifies insurance provided under the following:

### **COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:**

This insurance does not apply to:

"Bodily injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

- B. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

This insurance does not apply to:

"Personal and advertising injury" to:

- (1) A person arising out of any:
  - (a) Refusal to employ that person;
  - (b) Termination of that person's employment; or
  - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation, discrimination or malicious prosecution directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b) or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

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COMMERCIAL GENERAL LIABILITY

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **ILLINOIS AMENDMENT TO THE DEFINITION OF "INSURED CONTRACT"**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

The following is added as the last paragraph to SECTION V - DEFINITIONS 9. "Insured contract" in the COMMERCIAL GENERAL LIABILITY COVERAGE PART, AND 8. "Insured contract" in the OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART

"Insured contract" does not include your liability to a third party by reason of a Claim or suit against you by that third party for contribution under the Illinois Joint Tortfeasor Contribution Act for damages claimed against such third party as a result of injury to your employee if you have that liability because you have waived, in a contract, your right to limit such liability to the amount of the workers compensation benefits paid for that injured employee under the Illinois Workers Compensation Act.

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**COMMERCIAL GENERAL LIABILITY****THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - ACCESS OR DISCLOSURE OF  
CONFIDENTIAL OR PERSONAL INFORMATION AND  
DATA-RELATED LIABILITY - WITH  
LIMITED BODILY INJURY EXCEPTION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A. Exclusion 2.p. of Section I - Coverage A - Bodily Injury And Property Damage Liability is replaced by the following:**

**2. Exclusions**

This insurance does not apply to:

- p. Access Or Disclosure Of Confidential Or Personal Information And Data-related Liability**

Damages arising out of:

- (1) Any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
- (2) The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in Paragraph (1) or (2) above.

However, unless Paragraph (1) above applies, this exclusion does not apply to damages because of "bodily injury".

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

- B. The following is added to Paragraph 2. Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Access Or Disclosure Of Confidential Or Personal Information**

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal information.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - LEAD**

This endorsement modifies insurance provided under the following:

BUSINESSOWNERS COVERAGE FORM  
FARM LIABILITY COVERAGE FORM  
COMMERCIAL GENERAL LIABILITY COVERAGE FORM  
FARMOWNERS-RANCHOWNERS POLICY PERSONAL LIABILITY FORM  
OWNERS', LANDLORDS' AND TENANTS' LIABILITY INSURANCE COVERAGE PART  
FARMER'S COMPREHENSIVE PERSONAL INSURANCE COVERAGE PART  
COMMERCIAL LIABILITY UMBRELLA COVERAGE PART

This insurance does not apply to:

- (1) "Bodily injury", "property damage", "personal injury" or "personal and advertising injury" arising out of lead poisoning, lead contamination or exposure to lead.
- (2) Any loss, cost or expense arising out of any:
  - a. Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of lead; or
  - b. Claim or suit by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of lead.

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COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION OF CERTIFIED ACTS OF TERRORISM**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

**A. The following exclusion is added:**

This insurance does not apply to:

**TERRORISM**

"Any injury or damage" arising, directly or indirectly, out of a "certified act of terrorism".

**B. The following definitions are added:**

1. For the purposes of this endorsement, "any injury or damage" means any injury or damage covered under any Coverage Part to which this endorsement is applicable, and includes but is not limited to "bodily injury", "property damage", "personal and advertising injury", "injury" or "environmental damage" as may be defined in any applicable Coverage Part.
2. "Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria con-

tained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
  - b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.
- C. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for injury or damage that is otherwise excluded under this Coverage Part.**

POLICY NUMBER: CMM 4871702

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS CHANGES - CONTRACTORS - HOME REPAIR  
AND REMODELING**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

|   |                  |
|---|------------------|
| Limit of Liability for "property damage" arising out of "improper home repair and remodeling" - \$10,000 per "occurrence" unless otherwise indicated below: |                  |
| \$  | Per "occurrence" |
| \$  | Deductible       |
| \$  | Premium          |

**A. The following is added to Section I - Coverages:****COVERAGE - IMPROPER HOME REPAIR AND REMODELING****1. Insuring Agreement**

- a. We will pay those sums that the insured becomes legally obligated to pay as damages because of "improper home repair and remodeling" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages. However, we will have no duty to defend the insured against any "suit" seeking damages to which this insurance does not apply. We may at our discretion, investigate any incident and settle any claim or "suit" that may result. But:

- (1) The most we will pay for "improper home repair and remodeling" at any one "residence" is \$10,000, in excess of a \$500 deductible, unless other amounts are indicated in the Schedule of this endorsement; and
- (2) Our right and duty to defend end when we have used up that amount in the payment of judgments or settlements for "improper home repair and remodeling".

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under Supplementary Payments.

- b. This insurance applies to "improper home repair and remodeling" only if:

- (1) The "improper home repair and remodeling" takes place at a "residence" in the State of Illinois; and

- (2) The "improper home repair and remodeling" was performed by the insured during the policy period.

- (3) The insured issued a written contract or work order prior to initiating the "home repair and remodeling". However, this only applies if the estimated cost of the "home repair and remodeling" was over \$1000.

- c. All "improper home repair and remodeling" performed by you at any one "residence" will be deemed to have been performed at the time any "home repair and remodeling" that is determined to be not in conformance with applicable state, county or municipal building codes at that "residence" was first performed.

**2. Exclusions**

This insurance does not apply to:

**a. Expected Or Intended Injury**

"Improper home repair and remodeling" knowingly performed by the insured.

**b. Contractual Liability**

"Improper home repair and remodeling" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.



**c. Fines And Penalties**

Any fines, penalties, punitive or exemplary or other non-compensatory damages imposed upon the insured.

However, if we defend the insured against a "suit" seeking damages for "improper home repair" and the "suit" seeks both compensatory and punitive or exemplary damages, we will afford a defense to such actions, but will not be liable for any punitive or exemplary damages.

**d. Owned Property**

"Improper home repair and remodeling" performed at any "residence" owned by, rented or leased by the insured.

**e. Ongoing Work**

"Home repair and remodeling" that has not been completed. "Home repair and remodeling" will be deemed to be completed at the earliest of the following times:

- (1) When all of your work at the "residence" has been completed; or
- (2) When that part of your work at a "residence" has been put to its intended use by any person or organization other than another contractor or subcontractor working at the same "residence".

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

**f. Subcontracted Work**

"Improper home repair and remodeling" performed by a subcontractor.

**g. Pollution Loss, Cost Or Expense**

Any loss, cost or expense arising out of any:

- (1) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or suit by or on behalf of a governmental authority for

damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

**h. New Construction**

New original construction of a "residence".

**B. All references to Supplementary Payments - Coverages A and B are amended to Supplementary Payments - Coverages A, B and Home Repair And Remodeling Liability.****C. The following is added to Section V - Definitions:**

"Home repair and remodeling" means the fixing, replacing, altering, converting, modernizing, improving or making of an addition to any real property primarily designed or used as a residence other than maintenance, service or repair under \$500. "Home repair and remodeling" includes the construction, installation, replacement, or improvement of driveways, swimming pools, porches, kitchens, bathrooms, basements, chimney, chimney liners, garages, fences, fallout shelters, central air conditioning, central heating, boilers, furnaces, electrical wiring, sewers, plumbing fixtures, storm doors, windows, roofs, awnings, and other improvements to structures within the residence or upon the land adjacent to the residence.

However, "home repair and remodeling" does not include the sale, installation, cleaning, or repair of carpets; the repair, installation, replacement or connection of any home appliance including but not limited to disposals, refrigerators, ranges, garage door openers, televisions or television antennas, washing machines, telephones, hot water heaters, satellite dishes, or other appliances when the person replacing, installing, repairing or connecting the home appliance are employees or agents of the merchant that sold the home appliance or sold new products of the same type; or landscaping.

"Improper home repair and remodeling" means "home repair and remodeling" that is not in conformance with applicable state, county or municipal codes that were in effect at the time of the "home repair and remodeling".

"Residence" means a single-family home or dwelling or a multiple-family home or dwelling containing 6 or fewer apartments, condominiums, town houses, or dwelling units, used or intended to be used by occupants as dwelling places.

**COMMERCIAL GENERAL LIABILITY****THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS CHANGES - CANCELLATION  
AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 LIQUOR LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
 PRODUCT WITHDRAWAL COVERAGE PART

- A. CANCELLATION** (Common Policy Conditions)  
 is replaced by the following:

**CANCELLATION**

1. The first Named Insured shown in the Declarations may cancel this policy by mailing to us advance written notice of cancellation.
2. We may cancel this policy by mailing to you written notice stating the reason for cancellation. If we cancel:
  - a. For nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
  - b. For a reason other than nonpayment of premium, we will mail the notice at least:
    - (1) 30 days prior to the effective date of cancellation if the policy has been in effect for 60 days or less.
    - (2) 60 days prior to the effective date of cancellation if the policy has been in effect for more than 60 days.
3. If this policy has been in effect for more than 60 days, we may cancel only for one or more of the following reasons:
  - a. Nonpayment of premium;
  - b. The policy was obtained through a material misrepresentation;
  - c. Any insured has violated any of the terms and conditions of the policy;
  - d. The risk originally accepted has measurably increased;
  - e. Certification to the Director of Insurance of the loss of reinsurance by

the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or

- f. A determination by the Director of Insurance that the continuation of the policy could place us in violation of the insurance laws of this State.

4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

5. If this policy is cancelled we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.

- B. The following is added and supersedes any provision to the contrary:**

**NONRENEWAL**

If we decide not to renew or continue this policy, we will mail you and your agent or broker written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.

**C. Mailing of Notices**

We will mail cancellation and nonrenewal notices to you, and the agent or broker, at the last addresses known to us. Proof of mailing will be sufficient proof of notice.

**COMMERCIAL GENERAL LIABILITY****THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****AMENDMENT OF INSURED CONTRACT DEFINITION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART**The definition of "insured contract" in the **Definitions** section is replaced by the following:**"Insured contract" means:**

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. However, such part of a contract or agreement shall only be considered an "insured contract" to the extent your assumption of the tort liability

is permitted by law. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;
- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:
  - (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or
- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services, including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

**COMMERCIAL GENERAL LIABILITY**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - EXTERIOR INSULATION  
AND FINISH SYSTEMS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A.** This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of, caused by, or attributable to, whether in whole or in part, the following:
1. The design, manufacture, construction, fabrication, preparation, distribution and sale, installation, application, maintenance or repair, including remodeling, service, correction or replacement, of any "exterior insulation and finish system" or any part thereof, or any substantially similar system or any part thereof, including the application or use of conditioners, primers, accessories, flashings, coatings, caulking or sealants in connection with such a system; or
  2. "Your product" or "your work" with respect to any exterior component, fixture or feature of any structure if an "exterior insulation and finish system", or any substantially similar system, is used on the part of that structure containing that component, fixture or feature.
- B.** The following definition is added to the **Definitions** Section:
- "Exterior insulation and finish system" means a non-load bearing exterior cladding or finish system, and all component parts therein, used on any part of any structure, and consisting of:
1. A rigid or semi-rigid insulation board made of expanded polystyrene and other materials;
  2. The adhesive and/or mechanical fasteners used to attach the insulation board to the substrate;
  3. A reinforced or unreinforced base coat;
  4. A finish coat providing surface texture to which color may be added; and
  5. Any flashing, caulking or sealant used with the system for any purpose.

**COMMERCIAL GENERAL LIABILITY**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**SILICA OR SILICA-RELATED DUST EXCLUSION**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

- A. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability:**

**2. Exclusions**

This insurance does not apply to:

**Silica Or Silica-Related Dust**

- a. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
- b. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- c. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

- B. The following exclusion is added to Paragraph 2., Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:**

**2. Exclusions**

This insurance does not apply to:

**Silica Or Silica-Related Dust**

- a. "Personal and advertising injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".
- b. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any insured or by any other person or entity.

- C. The following definitions are added to the Definitions Section:**

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

POLICY NUMBER: CMM 4 871 702

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS - SCHEDULED PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:  
COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**Name of Person or Organization:**

ANY PERSONS OR ORGANIZATIONS WHEN YOU HAVE AGREED IN WRITING IN A  
CONTRACT OR AGREEMENT THAT SUCH PERSONS OR ORGANIZATIONS BE ADDED  
AS AN ADDITIONAL INSURED.

(If no entry appears above, information required to complete this endorsement will be shown in the  
Declarations as applicable to this endorsement.)

**A. Section II - Who Is An Insured** is amended  
include as an insured the person or organ-  
ization shown in the Schedule, but only with  
respect to liability arising out of your ongoing  
operations performed for that insured.

connection with such work, on  
the project (other than service,  
maintenance or repairs) to be  
performed by or on behalf of the  
additional insured(s) at the site  
of the covered operations has  
been completed; or

**B. With respect to the insurance afforded to  
these additional insureds, the following ex-  
clusion is added:**

**2. Exclusions**

This exclusion does not apply to "bodily  
injury" or "property damage" occurring  
after:

**(1) All work, including materials,  
parts or equipment furnished in**

**(2) That portion of "your work" out  
of which the injury or damage  
arises has been put to its in-  
tended use by any person or  
organization other than another  
contractor or subcontractor en-  
gaged in performing operations  
for a principal as part of the  
same project.**



COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS - COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

**Name of Person or Organization:**  
SEE BELOW

**Location And Description of Completed Operations:**  
ANY PERSONS OR ORGANIZATIONS WHEN YOU HAVE AGREED IN WRITING IN A  
CONTRACT OR AGREEMENT THAT SUCH PERSONS OR ORGANIZATIONS BE ADDED AS AN  
ADDITIONAL INSURED.

**Additional Premium:**  
INCL

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

**Section II - Who Is An Insured** is amended to include as an insured the person or organization shown in the Schedule, but only with respect to liability arising out of "your work" at the location designated and described in the schedule of this endorsement performed for that insured and included in the "products-completed operations hazard".

POLICY NUMBER: CMM 4 871 702

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED – OWNERS, LESSEES OR  
CONTRACTORS – SCHEDULED PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

| <u>Name Of Additional Insured Person(s)<br/>Or Organization(s)</u>                                     | <u>Location(s) of Covered Operations</u> |
|--|--|
| CAN % BUCK MANAGEMENT GROUP LLC<br>60 EAST VAN BUREN 3 <sup>RD</sup> FLOOR<br>CHICAGO IL 60605         | VARIOUS                                  |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |  |

**A. Section II – Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

**B.** With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

POLICY NUMBER: CMM 4871702

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS - COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

| <b>Name Of Additional Insured Person(s)<br/>Or Organization(s):</b>                                    | <b>Location(s) And Description Of Covered Operations</b> |
|--|--|
| CNA % BUCK MANAGEMENT GROUP LLC<br>60 EAST VAN BUREN 3RD FLOOR<br>CHICAGO, IL 60605                    | VARIOUS  |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |  |

**Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by

"your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

## COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****COMMERCIAL GENERAL LIABILITY CONTRACTORS ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE FORM**

Coverage afforded under this expanded coverage endorsement does not apply to any person or organization covered as an additional insured on any other endorsement now or hereafter attached to this Coverage Form.

**SCHEDULE**

The coverage provided by this endorsement is summarized below and is intended to provide a general coverage description only. For the details effecting each coverage please refer to the terms and conditions in this endorsement.

- A. Expected or Intended Injury**
  - Reasonable force
- B. Liquor Liability Coverage Extension**
- C. Non-Owned Watercraft**
  - Increased to 60 feet
- D. Non-Owned Aircraft**
- E. Damage To Property - Borrowed Equipment**
- F. Damage To Premises Rented To You**
- G. Personal And Advertising Injury**
  - Contractual Personal and Advertising Injury
  - Exclusions
- H. Supplementary Payments**
  - Bail Bonds - \$2,500
  - Loss of Earnings - \$1,000
- I. Additional Insureds - Automatic Status**
  - State or Governmental Agency or Subdivision or Political Subdivision Controlling Interest
  - Managers or Lessors of Premises
  - Mortgagee, Assignee or Receiver
  - Owners or Other Interests From Whom Land Has Been Leased
  - Co-Owners of Insured Premises
  - Lessor of Leased Equipment
- J. Who Is An Insured broadened**
  - Joint Ventures / Partnership / Limited Liability Company
  - Health Care Professionals (Incidental Medical Malpractice)
  - Individual Owners of Building are Insured's
  - Newly Formed or Acquired Entities
- K. Knowledge and Notice of Occurrence**
- L. Other Insurance Condition Amended**
- M. Unintentional Failure To Disclose Hazards**
- N. Waiver of Transfer Of Rights Of Recovery Against Others To Us - Automatic Status**
- O. Liberalization**
- P. Definitions**
  - Bodily Injury redefined
  - Insured Contract redefined
  - Expanded Personal and Advertising Injury definition

**A. EXPECTED OR INTENDED INJURY**

Under SECTION 1, COVERAGES, COVERAGE

**A. BODILY INJURY AND PROPERTY DAMAGE**

exclusion a. is replaced with the following:

**a. Expected Or Intended Injury**

"Bodily Injury" or "property damage" expected or intended from the standpoint of the insured. This exclusion does not apply to "bodily injury" or "property damage" resulting from the use of reasonable force for the purpose of protecting persons or property.

**B. LIQUOR LIABILITY COVERAGE EXTENSION**

**SECTION 1, COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Item 2. Exclusions c. Liquor Liability is deleted.**

**C. NON-OWNED WATERCRAFT**

Under **SECTION 1, COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Item 2. Exclusions g.2(a)** is replaced with the following:

- (a) Less than 60 feet long; and

**D. NON-OWNED AIRCRAFT**

Under **SECTION 1, COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Item 2. Exclusions g. Aircraft, Auto or Watercraft**, the following is added:

- (6) An aircraft you do not own provided that:
  - (a) The pilot in command holds a currently effective certificate issued by the duly constituted authority of the United States of America or Canada, designating that person as a commercial or airline transport pilot;
  - (b) It is rented with a trained, paid crew; and
  - (c) It does not transport persons or cargo for a charge.

**E. DAMAGE TO PROPERTY - BORROWED EQUIPMENT**

Under **SECTION 1, COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Item 2. Exclusions j.** is deleted and replaced by the following:

**j. Damage To Property:**

- (1) Property you own, rent or occupy;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of any real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or

- (6) That particular part of any real property that must be restored, replaced, or repaired because "your work" was incorrectly performed on it.

Paragraphs (1), (3) and (4) of this exclusion do not apply to:

- (i) "property damage" to tools or equipment loaned to you if the tools or equipment are not being used to perform operations at the time of loss; or
- (ii) "property damage" (other than damage by fire) to premises rented to you or temporarily occupied to you with the permission of the owner or to the contents of premises rented to you for a period of seven (7) or fewer consecutive days. A separate limit of insurance applies to Damage To Premises Rented To You as described in **Section III - Limits Of Insurance.**

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were not occupied, rented or held for rental by you beyond one year from the date "your work" was completed.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard."

**F. DAMAGE TO PREMISES RENTED TO YOU**

Under **SECTION I - COVERAGES, COVERAGE A BODILY INJURY AND PROPERTY DAMAGE LIABILITY, Item 2. Exclusions**, the last paragraph of Item 2. Exclusions is replaced with the following:

Exclusion c. through n. do not apply to damage by fire or explosion to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in **Section III - LIMITS OF INSURANCE.**

**G. PERSONAL AND ADVERTISING INJURY**

Under **SECTION 1, COVERAGES, COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**, Item 2. Exclusions e. Contractual Liability is deleted.

Under **SECTION I - COVERAGES, COVERAGE B PERSONAL AND ADVERTISING INJURY LIABILITY**, the following are added to Item 2. Exclusions:

**q. Discrimination Relating To Room, Dwelling or Premises**

Caused by discrimination directly or indirectly related to the sale, rental, lease or sub-lease or prospective sale, rental, lease or sub-lease of any room, dwelling or premises by or at the direction of any insured.

**r. Fines or Penalties**

Fines or penalties levied or imposed by a governmental entity because of discrimination.

**H. SUPPLEMENTARY PAYMENTS**

Under **SECTION I - SUPPLEMENTARY PAYMENTS COVERAGES A AND B**, item 1.b. is replaced with the following:

- b.** Up to \$2,500 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the "Bodily Injury" Liability Coverage applies. We do not have to furnish these bonds.

Under **SECTION I - SUPPLEMENTARY PAYMENTS COVERAGES A AND B**, item 1.d. is replaced with the following:

- d.** All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$1,000 a day because of time off from work.

**I. ADDITIONAL INSURED - AUTOMATIC STATUS**

**SECTION II - WHO IS AN INSURED** is amended to include as an insured any person or organization (called additional insured) described in paragraphs a. through g. below whom you are required to add as an additional insured on this policy under a written contract or written agreement. However the written contract or written agreement must be:

1. Currently in effect or becoming effective during the term of the policy; and
2. Executed prior to the "bodily injury", "property damage" or "personal injury and advertising injury", but

Only the following persons or organizations are additional insureds under this endorsement and coverage provided to such additional insureds is limited as provided herein:

**a. State or Governmental Agency or Subdivision or Political Subdivisions**

A state or governmental agency or subdivision or political subdivision subject to the following provisions:

- (1)** This insurance applies only with respect to the following hazards for which the state or governmental agency or subdivision or political subdivision has issued a permit or authorization in connection with premises you own, rent or control and to which this insurance applies;

- (a)** The existence, repair maintenance, erection, construction, or removal of advertising signs, awnings canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoist away openings, sidewalk vaults, street banners, or decorations and similar exposures; or

- (b)** The construction, erection, or removal of elevators.

- (2)** This insurance applies only with respect to operations performed by you or on your behalf for which the state or governmental agency or subdivision or political subdivision has issued a permit or authorization.

This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of operations performed for the federal government, state or municipality.

**b. Managers or Lessors of Premises**

A manager or lessor of premises but only with respect to liability arising out of the ownership, maintenance or use of that specific part of the premises leased to you and subject to the following additional exclusions:

This insurance does not apply to:

- (1)** Any "occurrence" which takes place after you cease to be a tenant in that premises; or



- (2) Structural alterations, new construction or demolition operations performed by or on behalf of such additional insured.

**c. Mortgagee, Assignee or Receiver**

A mortgagee, assignee or receiver but only with respect to their liability as mortgagee, assignee or receiver and arising out of the ownership, maintenance, or use of a premises by you.

This insurance does not apply to structural alterations, new construction or demolition operations performed by or for such additional insured.

**d. Owners Or Other Interests From Whom Land Has Been Leased**

An owner or other interest from who land has been leased by you but only with respect to liability arising out of the ownership, maintenance or use of that specific part of the land leased to you and subject to the following additional exclusions:

This insurance does not apply to:

- (1) Any "occurrence" which takes place after you cease to lease that land; or
- (2) Structural alterations, new construction or demolition operations performed by or on behalf of such additional insured.

**e. Co-owner of Insured Premises**

A co-owner of a premises co-owned by you and covered under this insurance but only with respect to the co-owners liability as co-owner of such premises.

**f. Lessor of Equipment**

Any person or organization from whom you lease equipment. Such person or organization are insureds only with respect to their liability arising out of the maintenance, operation or use by you of equipment leased to you by such person or organization.

A person's or organization's status as an insured under this endorsement ends when their written contract or written agreement with you for such leased equipment ends.

With respect to the insurance afforded these additional insureds, the following exclusions apply:

This insurance does not apply:

- (1) To any "occurrence" which takes place after the equipment lease expires; or
- (2) To "bodily injury", "property damage", or "personal and advertising injury" arising out of the sole negligence of such additional insured.

Any insurance provided to an additional insured designated under paragraphs a. through f. above does not apply to "bodily injury" or "property damage" included within the "products-completed operations hazard".

As respects the coverage provided under this provision, Paragraph 4.b.(1) of **Section IV - Commercial General Liability Conditions** is deleted and replaced with the following:

**4. Other Insurance**

**b. Excess Insurance**

- (1) This insurance is excess over:

Any other insurance naming the additional insured as an insured whether primary, excess, contingent or on any other basis unless a written contract or written agreement specifically requires that this insurance be either primary or primary and non-contributing. Where required by written contractor written agreement, we will consider any other insurance maintained by the additional insured for injury or damage covered by this endorsement to be excess and non-contributing with this insurance.

**J. WHO IS AN INSURED BROADENED**

Under **SECTION II - WHO IS AN INSURED** the following is added to item 1:

**f. Joint Ventures / Partnership / Limited Liability Company Coverage**

You are an insured when you had an Interest in a joint venture, partnership or limited liability company which is terminated or ended prior to or during this policy period but only to the extent of your interest in such joint venture, partnership or limited liability company. This coverage does not apply:

- (1) Prior to the termination date of any joint venture, limited liability company or partnership; or

- (2) If there is other valid and collectible insurance purchased specifically to insure the joint venture, legal liability company or partnership.

Under **SECTION II - WHO IS AN INSURED**, 2.a.(1)(d) is deleted and replaced with the following:

- (d) Arising out of his or her providing or failing to provide professional health care services.

This does not apply to nurses, emergency medical technicians or paramedics employed by you to provide health care services, but only if you are not in the business or occupation of providing such professional services.

Under **SECTION II - WHO IS AN INSURED** the following is added:

4. For **COVERAGE A** and **COVERAGE B** only, the owner of any building leased to you, but only if the building owner is a shareholder in your corporation or a partner in your partnership insured by this policy, and only with respect to liability arising out of the ownership, maintenance or use of that part of the premises leased to you. However, this insurance does not apply:

- a. To any "occurrence" or offense which takes place after you cease to be a tenant in the premises; or
- b. To structural alterations, new construction or demolition operations performed by or on behalf of the building owner.

Under **SECTION II - WHO IS AN INSURED**, 3.a. is deleted and replaced with the following:

- a. Coverage under this provision is afforded only until the end of the policy period or the next anniversary of this policy's effective date after you acquire or form the organization whichever is earlier.

Under **SECTION II - WHO IS AN INSURED** the last paragraph in this section is deleted and replaced with the following:

Except as provided in 3. above, no person or organization is an insured with respect to the conduct of any current or past joint venture, limited liability company or partnership that is not shown as a named insured in the Declarations.

## K. KNOWLEDGE AND NOTICE OF OCCURRENCE

Under **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**, 2. Duties in the Event of Occurrence, Offense, Claim Or Suit, the following is added:

- e. The requirement in Condition 2.a. applies only when the "occurrence" or offense is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership;
- (3) An "executive officer" or insurance manager, if you are a corporation; or
- (4) A manager, if you are a limited liability company.

- f. The requirement in Condition 2.b. will not be breached unless the breach occurs after such claim or "suit" is known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership;
- (3) An "executive officer" or insurance manager, if you are a corporation; or
- (4) A manager, if you are a limited liability company.

- g. Your rights under this Coverage Part will not be prejudiced if you fail to give us notice of an "occurrence," offense, claim, or "suit" and that failure is solely due to your reasonable belief that the "bodily injury" or "property damage" is not covered under this Coverage Part. However, you shall give written notice of this "occurrence," offense, claim, or "suit" to us as soon as you are aware this insurance may apply to such "occurrence," offense, claim or "suit."

## L. OTHER INSURANCE CONDITION AMENDED

When required by written contract with any additional insured owner, lessee, or contractor to provide insurance on a primary and noncontributory basis, Condition 4 of Section IV - Commercial General Liability Conditions is deleted and replaced by the following:

### 4. Other Insurance

If other valid and collectible insurance is available for a loss we cover under Coverage A or B of this Coverage Part, our obligations are limited as follows:

**a. Primary Insurance**

This insurance is primary and non-contributory except when **b.** below applies.

**b. Excess Insurance**

This insurance is excess over any of the other insurance, whether primary, excess, contingent, or on any other basis:

- (1) That is Fire, Extended Coverage, Builders Risk, Installation Risk, or similar coverage for your work;
- (2) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner; or
- (3) If the loss arises out of the maintenance or use of aircraft, "autos," or watercraft to the extent not subject to Exclusion **g.** of **Section I - Coverage A.**
- (4) If the loss is caused by the sole negligence of any additional insured, owner, lessee, or contractor.

When this insurance is excess, we will have no duty under Coverage **A** or **B** to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit." If no other defends, we will undertake to do so, but we will be entitled to the other insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductibles and self-insured amounts under all that other insurance.

We will share the remaining loss, if any with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the limits of Insurance shown in the declarations of this Coverage Part.

**M. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS**

Under **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**, item **6. Representations**, the following is added:

- d. Your failure to disclose all hazards or prior "occurrences" existing as of the inception date of this policy shall not prejudice the coverage afforded by this policy, provided such failure to disclose all hazards or prior "occurrences" is not intentional.

**N. WAIVER OF TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US - AUTOMATIC STATUS**

Under **SECTION IV - COMMERCIAL GENERAL LIABILITY CONDITIONS**, item **8. Transfer Of Rights Of Recovery Against Others To Us** is deleted and replaced by the following:

We waive any right of recovery we may have against any person or organization with respect to which the insured has waived its right of recovery.

It is further agreed that work commenced under letter of intent or work order, subject to subsequent reduction to writing, with customers whose customary written contracts would require a waiver of recovery rights against them also falls within this blanket waiver of recovery rights.

**O. LIBERALIZATION**

If we adopt a change in our forms or rules which would broaden coverage for contractors under this coverage form without an additional premium charge, your policy will automatically provide the additional coverage's as of the date the broadened coverage is effective in your state.

**P. DEFINITIONS**

Under **SECTION V - DEFINITIONS**, item **3.** is deleted and replaced with the following:

3. "Bodily Injury" means bodily injury, disability, sickness, or disease sustained by a person, including death resulting from any of these at any time. "Bodily injury" includes mental anguish or other mental injury resulting from "bodily injury".

Under **SECTION V - DEFINITIONS**, item **9.** is deleted and replaced with the following:

9. "Insured Contract" means:
  - a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
  - b. A sidetrack agreement;
  - c. Any easement or license agreement;

- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization.

Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies an architect, engineer, or surveyor for injury or damage arising out of:
  - (a) Preparing, approving or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
  - (b) Giving directions or instructions, or failing to give

them, if that is the primary cause of the injury or damage; or

- (2) Under which the insured if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render professional services including those listed in (1) above and supervisory, inspection, architectural or engineering, activities.

Under **SECTION V - DEFINITIONS**, item 14. the following is added to the definition of "Personal and advertising injury":

- h. Discrimination or humiliation that results in injury to the feelings or reputation of a natural person, but only if such discrimination or humiliation is:
  - (1) Not done intentionally by or at the direction of:
    - (a) The insured; or
    - (b) Any "executive officer", director, stockholder, partner, member or manager (if you are a limited liability company) of the insured;
  - (2) Not directly or indirectly related to the employment, prospective employment, past employment or termination of employment of any person or persons by any insured.

POLICY NUMBER: CMM 4871702

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS - SCHEDULED PERSON OR ORGANIZATION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART

**SCHEDULE**

| Name Of Additional Insured Person(s)<br>Or Organization(s)  | Location(s) Of Covered Operations |
|---|-----------------------------------|
| All persons or organizations when you have agreed in writing in a contract or agreement that such persons or organizations be added as an additional insured. | All Locations                     |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations.  |                                   |

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by:

1. Your acts or omissions; or
2. The acts or omissions of those acting on your behalf;

in the performance of your ongoing operations for the additional insured(s) at the location(s) designated above.

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

**B. With respect to the insurance afforded to these additional insureds, the following additional exclusions apply:**

This insurance does not apply to "bodily injury" or "property damage" occurring after:

1. All work, including materials, parts or equipment furnished in connection with such work, on the project (other than service, maintenance or repairs) to be performed by or on behalf of the additional insured(s) at the location of the covered operations has been completed; or
2. That portion of "your work" out of which the injury or damage arises has been put to its intended use by any person or organization other than another contractor or subcontractor engaged in performing operations for a principal as a part of the same project.

**C. With respect to the insurance afforded to these additional insureds, the following is added to Section III - Limits Of Insurance:**

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.

POLICY NUMBER: CMM 4871702

COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ADDITIONAL INSURED - OWNERS, LESSEES OR  
CONTRACTORS - COMPLETED OPERATIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART**SCHEDULE**

| Name Of Additional Insured Person(s)<br>Or Organization(s)  | Location(s) And Description Of Covered Operations |
|---|---|
| All persons or organizations when you have agreed in writing in a contract or agreement that such persons or organizations be added as an additional insured. | All Locations                                     |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations.  |   |

**A. Section II - Who Is An Insured** is amended to include as an additional insured the person(s) or organization(s) shown in the Schedule, but only with respect to liability for "bodily injury" or "property damage" caused, in whole or in part, by "your work" at the location designated and described in the schedule of this endorsement performed for that additional insured and included in the "products-completed operations hazard".

However:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the

contract or agreement to provide for such additional insured.

**B.** With respect to the insurance afforded to these additional insureds, the following is added to **Section III - Limits Of Insurance**:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits of Insurance shown in the Declarations;

whichever is less.

This endorsement shall not increase the applicable Limits of Insurance shown in the Declarations.



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COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - ASBESTOS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

This insurance does not apply to "bodily injury", "personal and advertising injury" or "property damage" arising out of:

1. Inhaling, ingesting or physical exposure to asbestos or goods or products containing asbestos; or
2. The use of asbestos in constructing or manufacturing any goods, product or structure; or
3. The removal, repair, encapsulation, enclosure, abatement or maintenance of asbestos in or from any goods, product or structure; or
4. The manufacture, sale, distribution, transportation, storage or disposal of asbestos or goods or products containing asbestos.

This insurance does not apply to payment for the investigation or defense of any claim, injury, loss, fine, penalty or lawsuit related to any of the foregoing items 1 thru 4. Nor do we have a duty to investigate or defend any such claim, injury, loss or lawsuit.

This insurance also does not apply to any loss, cost or expense incurred in complying with any federal, state or local provision of law regarding the inspection, monitoring, or control of asbestos in any goods, products or structures.

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**COMMERCIAL GENERAL LIABILITY**

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EXCLUSION - CONTRACTORS - PROFESSIONAL LIABILITY**

This endorsement modifies insurance provided under the following:

**COMMERCIAL GENERAL LIABILITY COVERAGE PART**

The following exclusion is added to Paragraph 2. Exclusions of Section I - Coverage A - Bodily Injury And Property Damage Liability and Paragraph 2. Exclusions of Section I - Coverage B - Personal And Advertising Injury Liability:

1. This insurance does not apply to "bodily injury", "property damage" or "personal and advertising injury" arising out of the rendering of or failure to render any professional services by you or on your behalf, but only with respect to either or both of the following operations:
  - a. Providing engineering, architectural or surveying services to others in your capacity as an engineer, architect or surveyor; and
  - b. Providing, or hiring independent professionals to provide, engineering, architectural or surveying services in connection with construction work you perform.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring,

employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved the rendering of or failure to render any professional services by you or on your behalf with respect to the operations described above.

2. Subject to Paragraph 3. below, professional services include:
  - a. Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders, or drawings and specifications; and
  - b. Supervisory or inspection activities performed as part of any related architectural or engineering activities.
3. Professional services do not include services within construction means, methods, techniques, sequences and procedures employed by you in connection with your operations in your capacity as a construction contractor.

## COMMERCIAL GENERAL LIABILITY

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WISCONSIN CHANGES - AMENDMENT OF POLICY  
CONDITIONS**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
 LIQUOR LIABILITY COVERAGE PART  
 POLLUTION LIABILITY COVERAGE PART  
 PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART

1. The following is added to CHANGES (Common Policy Conditions):

If one of our agents knows of a fact that breaches a condition of this Coverage Part, we will be considered to have knowledge of this same fact if:

- a. The agent knows of this fact at the time the Coverage Part is issued or an application is made; or
- b. The agent later learns of this fact in the course of his dealings as an agent with you.

Any fact that breaches a condition of this Coverage Part and is known to the agent prior to loss shall not void the Coverage Part or prevent a recovery in the event of loss.

2. The LEGAL ACTION AGAINST US Condition (Section IV) does not apply.
3. The following is added to Condition 6. REPRESENTATIONS (Section IV):

No misrepresentation or breach of affirmative warranty made by you or on your behalf in the negotiation of this Coverage Part affects our obligation under this Coverage Part unless:

- a. We rely on it and it is either material or made with intent to deceive; or
- b. The facts misrepresented or falsely warranted contribute to the loss.

No failure of a condition before the loss and no breach of a promissory warranty affects our obligation under this Coverage Part unless such failure or breach.

- a. Exists at the time of the loss; and
- b. Either increases the risk at the time of the loss or contributes to the loss.

The provisions of this condition do not apply to nonpayment of premium.

4. Condition 8. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US (Section IV) is replaced by the following:

In the event of any payment under this Coverage Part, we will be entitled to the insured's rights of recovery against any person or organization and the insured will do whatever is necessary to secure such rights. We will be entitled to a recovery only after the insured has been fully compensated for damages.

5. CONFORMITY TO STATUTE OR RULE

Any provision of this policy (including endorsements which modify the policy) that is in conflict with a Wisconsin statute or rule is hereby amended to conform to that statute or rule.

The term rule means a valid rule promulgated by the Commissioner of Insurance in accordance with the rule-making authority conferred under Wis. Stat. Ann. Sec. 227.11(2) and published in the Wisconsin Administrative Code.


**AUTO COVERAGE**

FILED DATE: 8/7/2018 12:15 PM 2018CH10012

**AUTO COVERAGE**

**AUTO COVERAGE**



|   |   |   |                  |
|---|---|---|------------------|
|  <b>WESTFIELD</b><br><b>INSURANCE</b><br><small>Sharing Knowledge. Building Trust.®</small>   |   | SR  |                  |
| <b>RENEWAL</b><br><b>BUSINESS AUTO COVERAGE DECLARATIONS</b>  |   |   |                  |
| <b>COMPANY PROVIDING COVERAGE</b>   |   | <b>WESTFIELD INSURANCE COMPANY</b>  |                  |
| <b>ITEM ONE-NAMED INSURED &amp; MAILING ADDRESS</b>   | <b>AGENCY</b>   | <b>12-01377</b>   | <b>PROD. 000</b> |
| BEAR CONSTRUCTION COMPANY<br>ALGONQUIN ASSOCIATES, LLC<br>1501 ROHLWING ROAD<br>ROLLING MEADOWS IL 60008  | ASSURANCE AGENCY LTD<br>1750 E GOLF RD 11TH FLR<br>SCHAUMBURG IL 60173-5835<br>TELEPHONE 847-797-5700 |   |                  |
| <b>Policy Number: CMM 4 871 702</b>   |   | <b>WIC Account Number: 1200799809</b>   | <b>M</b>         |
| <b>Policy Period</b>  | <b>From To</b>  | <b>at 12:01 A.M. Standard Time at your mailing address shown above.</b>   |                  |
|   | 01/01/16<br>01/01/17  |   |                  |
| <b>ITEM TWO SCHEDULE OF COVERAGES AND COVERED AUTOS</b>   |   |   |                  |
| Each Of These Coverages Will Apply Only To Those "Autos" Shown As Covered "Autos". "Autos" Are Shown As Covered "Autos" For A Particular Coverage By The Entry Of One Or More Of The Symbols From The Covered Auto Section of The Business Auto Coverage Form Next To The Name Of The Coverage.   |   |   |                  |
| <b>COVERAGES</b>  | <b>COVERED AUTO SYMBOLS</b>   | <b>LIMIT<br/>THE MOST WE WILL PAY FOR ANY<br/>ONE ACCIDENT OR LOSS</b>  | <b>PREMIUM</b>   |
| Liability   | 01  | Bodily Injury and Property Damage \$1,000,000 Each Accident   | \$12,032         |
| Auto Medical Pay.   | 02  | \$5,000   | \$662            |
| Uninsured Motorists   | 06 08 09  | Bodily Injury \$1,000,000 Each Accident   | \$274            |
| Underins. Motorists   | 06 08 09  | Bodily Injury \$1,000,000 Each Accident   | \$771            |
| Physical Damage Comprehensive Coverage  | 02 08   | Actual Cash Value or Cost of Repair Whichever is Less Minus the Ded. for Each Covered Auto as Indicated in the Schedule for Covered Autos. No Deductible Applies to Loss Caused by Fire or Lightning. | \$765            |
| Physical Damage Collision Coverage  | 02 08   | Actual Cash Value or Cost of Repair Whichever is Less Minus the Deductible for Each Covered Auto as Indicated in the Schedule for Covered Autos.  | \$3,194          |
| <b>Premium For Auto Endorsements</b>  |   |   | <b>\$310</b>     |
| <b>TOTAL ADVANCE ANNUAL PREMIUM</b>   |   |   | <b>\$18,008</b>  |
| <b>Audit Period (If Applies)</b> <input type="checkbox"/> Annual <input type="checkbox"/> Semi-Annual <input type="checkbox"/> Quarterly <input type="checkbox"/> Monthly   |   |   |                  |
| <b>Forms And Endorsements Attached To This Coverage Form:</b><br>CADS03 0310*, CA0001 0310*, IL0021 0908*, CA0120 0115*, CA0270 0894*,<br>CA2394 0306*, CA7080 0312*, CA9903 0306*, CA7103 0115*, CA2138 1108*,<br>CA7007 0912*, CA7078 0911*, CA2071 1001*, CA9960 0310*, CA9910 0310*,<br>CA9923 0310*, CA0444 0310*, CA2054 1001*, CA9933 0299*. |   |   |                  |

FILED DATE: 8/7/2018 12:15 PM 2018CH10012





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**RENEWAL  
BUSINESS AUTO COVERAGE DECLARATIONS  
(Continued)**

| COMPANY PROVIDING COVERAGE   |   | WESTFIELD INSURANCE COMPANY                                      |                                |          |       |            |                  |                   |                 |      |               |
|--|---|--|--------------------------------|----------|-------|------------|------------------|-------------------|-----------------|------|---------------|
| ITEM ONE-NAMED INSURED & MAILING ADDRESS   | AGENCY  | 12-01377   | PROD.                          | 000      |       |            |                  |                   |                 |      |               |
| BEAR CONSTRUCTION COMPANY<br>ALGONQUIN ASSOCIATES, LLC<br>1501 ROHLWING ROAD<br>ROLLING MEADOWS IL 60008   | ASSURANCE AGENCY LTD<br>1750 E GOLF RD 11TH FLR<br>SCHAUMBURG IL 60173-5835<br>TELEPHONE 847-797-5700 |  |                                |          |       |            |                  |                   |                 |      |               |
| Policy Number: CMM 4 871 702   |   | 11   | WIC Account Number: 1200799809 |          | M     |            |                  |                   |                 |      |               |
| Policy Period  | From 01/01/16<br>To 01/01/17  | at 12:01 A.M. Standard Time at your mailing address shown above. |                                |          |       |            |                  |                   |                 |      |               |
| <b>ITEM THREE SCHEDULE OF COVERED AUTOS YOU OWN</b>  |   |  |                                |          |       |            |                  |                   |                 |      |               |
| The Insurance Afforded For Any One Automobile Is Only With Respect To Such And So Many Of The Coverages As Are Indicated In Item Two Unless A Specific Limit Or Deductible Is Indicated In This Schedule Of Automobiles. |   |  |                                |          |       |            |                  |                   |                 |      |               |
| AUTO ST TER YR   | DESCRIPTION   | SERIAL NUMBER  | AGE                            | COST SYM | CLASS | STATED AMT | GVW              |                   |                 |      |               |
| 001 IL 115 00  | FORD F450   | 1FDXF46SXYED72209  | 12                             | 31940    | 21483 |            |                  |                   |                 |      |               |
| 002 IL 115 00  | BOBCAT TRAILER  | 473262021Y1110967  | 12                             | 4005     | 68483 |            |                  |                   |                 |      |               |
| 003 IL 115 08  | FORD E-150  | 1FTNE14W78DA27566  | 9                              | 37000    | 01483 |            |                  |                   |                 |      |               |
| 004 IL 115 04  | FORD C/A TRUCK  | 1FTNF20L64ED44659  | 12                             | 11000    | 01483 |            | 06100            |                   |                 |      |               |
| 005 IL 115 04  | CARGO TRAILER   | 5NHUCMH264N045245  | 12                             | 4000     | 68483 |            |                  |                   |                 |      |               |
| 006 IL 115 02  | REDI HAUL TRAILER   | 47SS172T421018779  | 12                             | 3000     | 68483 |            |                  |                   |                 |      |               |
| 007 IL 115 01  | CHEVY EXPRESS   | 1GCHG39R411230976  | 12                             | 24175    | 01483 |            |                  |                   |                 |      |               |
| 008 IL 115 12  | CHEVY SILVERADO   | 1GC1KYC84CF175352  | 5                              | 52000    | 01483 |            |                  |                   |                 |      |               |
| 009 IL 115 13  | FREIGHTLINER TKTR   | 1FVACWDT1DHBY8531  | 4                              | 70000    | 31483 |            |                  |                   |                 |      |               |
| 010 IL 115 06  | WELLS CARGO TRLR  | 1W4200D10611114801   | 11                             | 5000     | 68483 |            |                  |                   |                 |      |               |
| 011 IL 115 97  | WELLS CARGO TRLR  | 1WC200E14V1078693  | 12                             | 5000     | 68483 |            |                  |                   |                 |      |               |
| 012 IL 115 10  | WELLS CARGO TRLR  | 1WC200E15A1125657  | 7                              | 5000     | 68483 |            |                  |                   |                 |      |               |
| 013 IL 115 10  | FORD F250   | 1FTSX2BR5AEA53244  | 7                              | 28000    | 01483 |            |                  |                   |                 |      |               |
| 014 IL 115 13  | DODGE RAM 1500  | 1C6RR6FG8DS679599  | 4                              | 32131    | 01483 |            |                  |                   |                 |      |               |
| 015 IL 115 13  | DODGE RAM 1500  | 1C6RR6FG2DS679601  | 4                              | 31475    | 01483 |            |                  |                   |                 |      |               |
| 016 IL 115 00  | GMC SONOMA  | 1GTC1454YK254359   | 12                             | 15000    | 01483 |            |                  |                   |                 |      |               |
| 017 IL 115 13  | HYUN ELANTRA GLS/   | 5NPDH4AE5DH434869  | 4                              | 20253    | 7398  |            |                  |                   |                 |      |               |
| 018 IL 115 15  | DODGE 3500  | 3C7WRSBJ5EG216708  | 2                              | 44977    | 21483 |            |                  |                   |                 |      |               |
| 019 IL 115 14  | JEEP CHEROKEE SPO   | 1C4PJLAB6EW167268  | 3                              | 23803    | 7398  |            |                  |                   |                 |      |               |
| PREMIUMS-AUTO LIAB   | FPB/PIP   | MED PPI  | UN-UD PY/EX                    | TRST     | COMP  | SPEC PERIL | TOW & COLL LABOR | * DEDUCTIBLE ENDS | DEDUCTIBLE COMP | COLL | TOTAL PREMIUM |
| 001  | \$897   |  | \$56                           | \$64     | \$27  |            | \$80             |                   | 2500            | 2500 | \$1124        |
| 002  | \$90  |  |                                |          | \$4   |            | \$1              |                   | 2500            | 2500 | \$95          |
| 003  | \$852   |  | \$56                           | \$64     | \$56  |            | \$164            |                   | 2500            | 2500 | \$1192        |
| 004  | \$852   |  | \$56                           | \$64     | \$23  |            | \$56             |                   | 2500            | 2500 | \$1051        |
| 005  | \$90  |  |                                |          | \$4   |            | \$1              |                   | 2500            | 2500 | \$95          |
| 006  | \$90  |  |                                |          | \$4   |            | \$1              |                   | 2500            | 2500 | \$95          |
| 007  | \$852   |  | \$56                           | \$64     | \$28  |            | \$76             |                   | 2500            | 2500 | \$1076        |
| 008  | \$852   |  | \$56                           | \$64     | \$82  |            | \$384            |                   | 2500            | 2500 | \$1438        |
| 009  | \$1168  |  | \$56                           | \$64     | \$82  |            | \$499            |                   | 2500            | 2500 | \$1869        |
| 010  | \$90  |  |                                |          | \$8   |            | \$1              |                   | 2500            | 2500 | \$99          |
| 011  | \$90  |  |                                |          | \$6   |            | \$1              |                   | 2500            | 2500 | \$97          |
| 012  | \$90  |  |                                |          | \$10  |            | \$2              |                   | 2500            | 2500 | \$102         |
| 013  | \$852   |  | \$56                           | \$64     | \$59  |            | \$204            |                   | 2500            | 2500 | \$1235        |
| 014  | \$852   |  | \$56                           | \$64     | \$70  |            | \$258            |                   | 2500            | 2500 | \$1300        |
| 015  | \$852   |  | \$56                           | \$64     | \$70  |            | \$258            |                   | 2500            | 2500 | \$1300        |
| 016  | \$852   |  | \$56                           | \$64     | \$23  |            | \$56             |                   | 2500            | 2500 | \$1051        |
| 017  | \$617   |  | \$23                           | \$102    | \$63  |            | \$390            |                   | 2500            | 2500 | \$1195        |
| 018  | \$897   |  | \$56                           | \$64     | \$67  |            | \$314            |                   | 2500            | 2500 | \$1398        |
| 019  | \$617   |  | \$23                           | \$102    | \$66  |            | \$436            |                   | 2500            | 2500 | \$1244        |
| *BUSINESS AUTO EXPANDED ENDORSEMENT  |   |  |                                |          |       |            |                  |                   |                 |      | \$310         |
| <b>HIRED AUTO LIABILITY</b>  |   |  |                                |          |       |            |                  |                   |                 |      |               |
| STATE  | ESTIMATED ANNUAL COST OF HIRE   |  |                                |          |       |            |                  |                   |                 |      | PREMIUM       |
| IL   | 35,000  |  |                                |          |       |            |                  |                   |                 |      | \$270         |

|  |  |                                      |                                       |
|--|--|--------------------------------------|---------------------------------------|
|  <b>WESTFIELD</b><br><b>INSURANCE</b><br><small>Sharing Knowledge. Building Trust.®</small>  |  | SR                                   |                                       |
| <b>RENEWAL</b><br><b>BUSINESS AUTO COVERAGE DECLARATIONS</b><br>(Continued)  |  |                                      |                                       |
| <b>COMPANY PROVIDING COVERAGE</b>  |  | <b>WESTFIELD INSURANCE COMPANY</b>   |                                       |
| <b>ITEM ONE-NAMED INSURED &amp; MAILING ADDRESS</b>  | <b>AGENCY</b>  | <b>12-01377</b>                      | <b>PROD. 000</b>                      |
| BEAR CONSTRUCTION COMPANY<br>ALGONQUIN ASSOCIATES, LLC<br>1501 ROHLWING ROAD<br>ROLLING MEADOWS IL 60008   | ASSURANCE AGENCY LTD<br>1750 E GOLF RD 11TH FLR<br>SCHAMBURG IL 60173-5835<br>TELEPHONE 847-797-5700 |                                      |                                       |
| <b>Policy Number: CMM 4 871 702</b>  |  | 11                                   | <b>WIC Account Number: 1200799809</b> |
| <b>Policy Period</b>   | <b>From To</b>   | <b>01/01/16</b><br><b>01/01/17</b>   |                                       |
| <b>at 12:01 A.M. Standard Time at your mailing address shown above.</b>  |  |                                      |                                       |
| <b>HIRED AUTO UNINSURED MOTORISTS</b>  |  |                                      |                                       |
| <b>STATE</b>   | <b>ESTIMATED ANNUAL COST OF HIRE</b>   | <b>PREMIUM</b>                       |                                       |
| IL   | 35,000   | \$13                                 |                                       |
| <b>HIRED AUTO UNDERINSURED MOTORISTS</b>   |  |                                      |                                       |
| <b>STATE</b>   | <b>ESTIMATED ANNUAL COST OF HIRE</b>   | <b>PREMIUM</b>                       |                                       |
| IL   | 35,000   | \$29                                 |                                       |
| <b>Cost Of Hire Means The Total Amount You Incur For The Hire Of Autos You Do Not Own (Not Including Autos You Borrow Or Rent From Your Partners Or Employees Or Their Family Members). Cost Of Hire Does Not Include Charges For Services Performed By Motor Carriers Of Property Or Passengers.</b>  |  |                                      |                                       |
| <b>HIRED AUTO PHYSICAL DAMAGE</b>  |  |                                      |                                       |
| <b>STATE</b>   | <b>ESTIMATED ANNUAL COST OF HIRE FOR EACH STATE (EXCLUDING AUTOS HIRED WITH A DRIVER)</b>            | <b>DEDUCTIBLE</b>                    | <b>PREMIUM</b>                        |
| IL   | COMPREHENSIVE 50,000   | 2500                                 | \$13                                  |
| IL   | COLLISION 50,000   | 2500                                 | \$12                                  |
| <b>For Physical Damage Coverages, Cost Of Hire Means That Total Amount You Incur For The Hire Of "Autos" You Don't Own (Not Including "Autos" You Borrow Or Rent From Your Partners Or "Employees" Or Their Family Members). Cost Of Hire Does Not Include Charges For Any "Auto" That Is Leased, Hired, Rented Or Borrowed With A Driver.</b> |  |                                      |                                       |
| <b>NON-OWNERSHIP LIABILITY</b>   |  |                                      |                                       |
| <b>STATE</b>   | <b>RATING BASIS-NUMBER OF EMPLOYEES</b>  | <b>ESTIMATED NUMBER OF EMPLOYEES</b> | <b>PREMIUM</b>                        |
| IL   |  | 85                                   | \$210                                 |
| <b>NON-OWNED AUTO UNINSURED MOTORISTS</b>  |  |                                      |                                       |
| <b>STATE</b>   | <b>RATING BASIS-PER EMPLOYEE</b>   | <b>NUMBER OF EMPLOYEES</b>           | <b>PREMIUM</b>                        |
| IL   |  | 85                                   | \$27                                  |
| <b>NON-OWNED AUTO UNDERINSURED MOTORISTS</b>   |  |                                      |                                       |
| <b>STATE</b>   | <b>RATING BASIS-PER EMPLOYEE</b>   | <b>NUMBER OF EMPLOYEES</b>           | <b>PREMIUM</b>                        |
| IL   |  | 85                                   | \$68                                  |
| <b>TOTAL ADVANCE ANNUAL AUTO PREMIUM</b>   |  |                                      | <b>\$18,008</b>                       |



**WESTFIELD**  
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**RENEWAL**  
**BUSINESS AUTO COVERAGE DECLARATIONS**  
(Continued)

**COMPANY PROVIDING COVERAGE**

**WESTFIELD INSURANCE COMPANY**

**ITEM ONE-NAMED INSURED & MAILING ADDRESS**

**AGENCY**

12-01377

**PROD.**

000

BEAR CONSTRUCTION COMPANY  
ALGONQUIN ASSOCIATES, LLC  
1501 ROHLWING ROAD  
ROLLING MEADOWS IL 60008

ASSURANCE AGENCY LTD  
1750 E GOLF RD 11TH FLR  
SCHAUMBURG IL 60173-5835  
TELEPHONE 847-797-5700

**Policy Number:** CMM 4 871 702

| 11 |

**WIC Account Number:** 1200799809

| M

**Policy  
Period**

**From  
To**

01/01/16  
01/01/17

**at 12:01 A.M. Standard Time at your  
mailing address shown above.**

**\*ENDORSEMENT SUMMARY**

BUSINESS AUTO EXPANDED ENDORSEMENT

\$310

**BUSINESS AUTO COVERAGE FORM**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we," "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section V - Definitions.

**SECTION I - COVERED AUTOS**

Item Two of the Declarations shows the "autos" that are covered "autos" for each of your coverages. The following numerical symbols describe the "autos" that may be covered "autos." The symbols entered next to a coverage on the Declarations designate the only "autos" that are covered "autos".

**A. Description Of Covered Auto Designation Symbols**

| Symbol | Description Of Covered Auto Designation Symbols  |   |
|--------|--|---|
| 1      | Any "Auto"   |   |
| 2      | Owned "Autos" Only   | Only those "autos" you own (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" you acquire ownership of after the policy begins.   |
| 3      | Owned Private Passenger "Autos" Only   | Only the private passenger "autos" you own. This includes those private passenger "autos" you acquire ownership of after the policy begins.   |
| 4      | Owned "Autos" Other Than Private Passenger "Autos" Only  | Only those "autos" you own that are not of the private passenger type (and for Liability Coverage any "trailers" you don't own while attached to power units you own). This includes those "autos" not of the private passenger type you acquire ownership of after the policy begins.  |
| 5      | Owned "Autos" Subject to No-fault  | Only those "autos" you own that are required to have no-fault benefits in the state where they are licensed or principally garaged. This includes those "autos" you acquire ownership of after the policy begins provided they are required to have no-fault benefits in the state where they are licensed or principally garaged.                  |
| 6      | Owned "Autos" Subject To A Compulsory Uninsured Motorists Law  | Only those "autos" you own that because of the law in the state where they are licensed or principally garaged are required to have and cannot reject Uninsured Motorists Coverage. This includes those "autos" you acquire ownership of after the policy begins provided they are subject to the same state uninsured motorists requirement.       |
| 7      | Specifically Described "Autos"   | Only those "autos" described in Item Three of the Declarations for which a premium charge is shown (and for Liability Coverage any "trailers" you don't own while attached to any power unit described in Item Three).  |
| 8      | Hired "Autos" Only   | Only those "autos" you lease, hire, rent or borrow. This does not include any "auto" you lease, hire, rent or borrow from any of your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households.  |
| 9      | Non-owned "Autos" Only   | Only those "autos" you do not own, lease, hire, rent or borrow that are used in connection with your business. This includes "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their households but only while used in your business or your personal affairs. |
| 19     | Mobile Equipment Subject To Compulsory Or Financial Responsibility Or Other Motor Vehicle Insurance Law Only | Only those "autos" that are land vehicles and that would qualify under the definition of "mobile equipment" under this policy if they were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged.   |

**B. Owned Autos You Acquire After The Policy Begins**

1. If Symbols 1, 2, 3, 4, 5, 6 or 19 are entered next to a coverage in Item Two of the Declarations, then you have coverage for "autos" that you acquire of the type described for the remainder of the policy period.
2. But, if Symbol 7 is entered next to a coverage in Item Two of the Declarations, an "auto" you acquire will be a covered "auto" for that coverage only if:
  - a. We already cover all "autos" that you own for that coverage or it replaces an "auto" you previously owned that had that coverage; and
  - b. You tell us within 30 days after you acquire it that you want us to cover it for that coverage.

**C. Certain Trailers, Mobile Equipment And Temporary Substitute Autos**

If Liability Coverage is provided by this coverage form, the following types of vehicles are also covered "autos" for Liability Coverage:

1. "Trailers" with a load capacity of 2,000 pounds or less designed primarily for travel on public roads.
2. "Mobile equipment" while being carried or towed by a covered "auto".
3. Any "auto" you do not own while used with the permission of its owner as a temporary substitute for a covered "auto" you own that is out of service because of its:
  - a. Breakdown;
  - b. Repair;
  - c. Servicing;
  - d. "Loss"; or
  - e. Destruction.

**SECTION II - LIABILITY COVERAGE****A. Coverage**

We will pay all sums an "insured" legally must pay as damages because of "bodily injury" or "property damage" to which this insurance applies, caused by an "accident" and resulting from the ownership, maintenance or use of a covered "auto".

We will also pay all sums an "insured" legally must pay as a "covered pollution cost or expense" to which this insurance applies,

caused by an "accident" and resulting from the ownership, maintenance or use of covered "autos." However, we will only pay for the "covered pollution cost or expense" if there is either "bodily injury" or "property damage" to which this insurance applies that is caused by the same "accident".

We have the right and duty to defend any "insured" against a "suit" asking for such damages or a "covered pollution cost or expense". However, we have no duty to defend any "insured" against a "suit" seeking damages for "bodily injury" or "property damage" or a "covered pollution cost or expense" to which this insurance does not apply. We may investigate and settle any claim or "suit" as we consider appropriate. Our duty to defend or settle ends when the Liability Coverage Limit of Insurance has been exhausted by payment of judgments or settlements.

**1. Who Is An Insured**

The following are "insureds":

- a. You for any covered "auto".
- b. Anyone else while using with your permission a covered "auto" you own, hire or borrow except:
  - (1) The owner or anyone else from whom you hire or borrow a covered "auto". This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.
  - (2) Your "employee" if the covered "auto" is owned by that "employee" or a member of his or her household.
  - (3) Someone using a covered "auto" while he or she is working in a business of selling, servicing, repairing, parking or storing "autos" unless that business is yours.
  - (4) Anyone other than your "employees", partner (if you are a partnership), members (if you are a limited liability company) or a lessee or borrower or any of their "employees", while moving property to or from a covered "auto".
  - (5) A partner (if you are a partnership) or a member (if you are a limited liability company) for a covered "auto" owned by him or her or a member of his or her household.
- c. Anyone liable for the conduct of an "insured" described above but only to the extent of that liability.

**2. Coverage Extensions****a. Supplementary Payments**

We will pay for the "insured":

- (1) All expenses we incur.
- (2) Up to \$2,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.
- (3) The cost of bonds to release attachments in any "suit" against the "insured" we defend, but only for bond amounts within our Limit of Insurance.
- (4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$250 a day because of time off from work.
- (5) All court costs taxed against the "insured" in any "suit" against the "insured" we defend. However, these payments do not include attorneys' fees or attorneys' expenses taxed against the "insured".
- (6) All interest on the full amount of any judgment that accrues after entry of the judgment in any "suit" against the "insured" we defend, but our duty to pay interest ends when we have paid, offered to pay or deposited in court the part of the judgment that is within our Limit of Insurance.

These payments will not reduce the Limit of Insurance.

**b. Out-of-state Coverage Extensions**

While a covered "auto" is away from the state where it is licensed we will:

- (1) Increase the Limit of Insurance for Liability Coverage to meet the limits specified by a compulsory or financial responsibility law of the jurisdiction where the covered "auto" is being used. This extension does not apply to the limit or limits specified by any law governing motor carriers of passengers or property.
- (2) Provide the minimum amounts and types of other coverages, such as no-fault, required of

out-of-state vehicles by the jurisdiction where the covered "auto" is being used.

We will not pay anyone more than once for the same elements of loss because of these extensions.

**B. Exclusions**

This insurance does not apply to any of the following:

**1. Expected Or Intended Injury**

"Bodily injury" or "property damage" expected or intended from the standpoint of the "insured."

**2. Contractual**

Liability assumed under any contract or agreement.

But this exclusion does not apply to liability for damages:

- a. Assumed in a contract or agreement that is an "insured contract" provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement; or
- b. That the "insured" would have in the absence of the contract or agreement.

**3. Workers' Compensation**

Any obligation for which the "insured" or the "insured's" insurer may be held liable under any workers' compensation, disability benefits or unemployment compensation law or any similar law.

**4. Employee Indemnification And Employer's Liability**

"Bodily injury" to:

- a. An "employee" of the "insured" arising out of and in the course of:
  - (1) Employment by the "insured"; or
  - (2) Performing the duties related to the conduct of the "insured's" business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. above.

This exclusion applies:

- (1) Whether the "insured" may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.



But this exclusion does not apply to "bodily injury" to domestic "employees" not entitled to workers' compensation benefits or to liability assumed by the "insured" under an "insured contract." For the purposes of the coverage form, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

**5. Fellow Employee**

"Bodily injury" to:

- a. Any fellow "employee" of the "insured" arising out of and in the course of the fellow "employee's" employment or while performing duties related to the conduct of your business; or
- b. The spouse, child, parent, brother or sister of that fellow "employee" as a consequence of Paragraph a. above.

**6. Care, Custody Or Control**

"Property damage" to or "covered pollution cost or expense" involving property owned or transported by the "insured" or in the "insured's" care, custody or control. But this exclusion does not apply to liability assumed under a sidetrack agreement.

**7. Handling Of Property**

"Bodily injury" or "property damage" resulting from the handling of property:

- a. Before it is moved from the place where it is accepted by the "insured" for movement into or onto the covered "auto"; or
- b. After it is moved from the covered "auto" to the place where it is finally delivered by the "insured".

**8. Movement Of Property By Mechanical Device**

"Bodily injury" or "property damage" resulting from the movement of property by a mechanical device (other than a hand truck) unless the device is attached to the covered "auto".

**9. Operations**

"Bodily injury" or "property damage" arising out of the operation of:

- a. Any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment"; or
- b. Machinery or equipment that is on, attached to or part of a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or

financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

**10. Completed Operations**

"Bodily injury" or "property damage" arising out of your work after that work has been completed or abandoned.

In this exclusion, your work means:

- a. Work or operations performed by you or on your behalf; and
- b. Materials, parts or equipment furnished in connection with such work or operations.

Your work includes warranties or representations made at any time with respect to the fitness, quality, durability or performance of any of the items included in Paragraphs a. or b. above.

Your work will be deemed completed at the earliest of the following times:

- (1) When all of the work called for in your contract has been completed.
- (2) When all of the work to be done at the site has been completed if your contract calls for work at more than one site.
- (3) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

**11. Pollution**

"Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
  - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";

- b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

- c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. and 6.c. of the definition of "mobile equipment".

Paragraphs b. and c. above of this exclusion do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto"; and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

## 12. War

"Bodily injury" or "property damage" arising directly or indirectly out of:

- a. War, including undeclared or civil war;
- b. Warlike action by a military force, including action in hindering or defending against an actual or ex-

pected attack, by any government, sovereign or other authority using military personnel or other agents; or

- c. Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

## 13. Racing

Covered "autos" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply while that covered "auto" is being prepared for such a contest or activity.

## C. Limit Of Insurance

Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for the total of all damages and "covered pollution cost or expense" combined resulting from any one "accident" is the Limit of Insurance for Liability Coverage shown in the Declarations.

All "bodily injury", and "property damage" and "covered pollution cost or expense" resulting from continuous or repeated exposure to substantially the same conditions will be considered as resulting from one "accident".

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage form and any Medical Payments Coverage endorsement, Uninsured Motorists Coverage endorsement or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

## SECTION III - PHYSICAL DAMAGE COVERAGE

### A. Coverage

1. We will pay for "loss" to a covered "auto" or its equipment under:

#### a. Comprehensive Coverage

From any cause except:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

#### b. Specified Causes Of Loss Coverage

Caused by:

- (1) Fire, lightning or explosion;
- (2) Theft;
- (3) Windstorm, hail or earthquake;
- (4) Flood;
- (5) Mischief or vandalism; or
- (6) The sinking, burning, collision or derailment of any conveyance transporting the covered "auto."

**c. Collision Coverage**

Caused by:

- (1) The covered "auto's" collision with another object; or
- (2) The covered "auto's" overturn.

**2. Towing**

We will pay up to the limit shown in the Declarations for towing and labor costs incurred each time a covered "auto" of the private passenger type is disabled. However, the labor must be performed at the place of disablement.

**3. Glass Breakage - Hitting A Bird Or Animal - Falling Objects Or Missiles**

If you carry Comprehensive Coverage for the damaged covered "auto", we will pay for the following under Comprehensive Coverage:

- a. Glass breakage;
- b. "Loss" caused by hitting a bird or animal; and
- c. "Loss" caused by falling objects or missiles.

However, you have the option of having glass breakage caused by a covered "auto's" collision or overturn considered a "loss" under Collision Coverage.

**4. Coverage Extension****a. Transportation Expenses**

We will pay up to \$20 per day to a maximum of \$600 for temporary transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage. We will pay for temporary transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

**b. Loss of Use Expenses**

For Hired Auto Physical Damage, we will pay expenses for which an "insured" becomes legally responsible to pay for loss of use of a vehicle rented or hired without a driver under a written rental contract or agreement. We will pay for loss of use expenses if caused by:

- (1) Other than collision only if the Declarations indicate that Comprehensive Coverage is provided for any covered "auto";

- (2) Specified Causes Of Loss only if the Declarations indicate that Specified Causes of Loss Coverage is provided for any covered "auto"; or

- (3) Collision only if the Declarations indicate that Collision Coverage is provided for any covered "auto".

However, the most we will pay for any expenses for loss of use is \$20 per day, to a maximum of \$600.

**B. Exclusions**

1. We will not pay for "loss" caused by or resulting from any of the following. Such "loss" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the "loss".

**a. Nuclear Hazard**

- (1) The explosion of any weapon employing atomic fission or fusion; or
- (2) Nuclear reaction or radiation, or radioactive contamination, however caused.

**b. War Or Military Action**

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

2. We will not pay for "loss" to any covered "auto" while used in any professional or organized racing or demolition contest or stunting activity, or while practicing for such contest or activity. We will also not pay for "loss" to any covered "auto" while that covered "auto" is being prepared for such a contest or activity.

3. We will not pay for "loss" due and confined to:

- a. Wear and tear, freezing, mechanical or electrical breakdown.
- b. Blowouts, punctures or other road damage to tires.

This exclusion does not apply to such "loss" resulting from the total theft of a covered "auto".

4. We will not pay for "loss" to any of the following:

- a. Tapes, records, discs or other similar audio, visual or data electronic devices designed for use with audio, visual or data electronic equipment.
- b. Any device designed or used to detect speed-measuring equipment such as radar or laser detectors and any jamming apparatus intended to elude or disrupt speed-measurement equipment.
- c. Any electronic equipment, without regard to whether this equipment is permanently installed, that reproduces, receives or transmits audio, visual or data signals.
- d. Any accessories used with the electronic equipment described in Paragraph c. above.

5. Exclusions 4.c. and 4.d. do not apply to equipment designed to be operated solely by use of the power from the "auto's" electrical system that, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto";
- b. Removable from a housing unit which is permanently installed in or upon the covered "auto";
- c. An integral part of the same unit housing any electronic equipment described in Paragraphs a. and b. above; or
- d. Necessary for the normal operation of the covered "auto" or the monitoring of the covered "auto's" operating system.

6. We will not pay for "loss" to a covered "auto" due to "diminution in value".

**C. Limit Of Insurance**

- 1. The most we will pay for "loss" in any one "accident" is the lesser of:
  - a. The actual cash value of the damaged or stolen property as of the time of the "loss"; or
  - b. The cost of repairing or replacing the damaged or stolen property with other property of like kind and quality.
- 2. \$1,000 is the most we will pay for "loss" in any one "accident" to all electronic

equipment that reproduces, receives or transmits audio, visual or data signals which, at the time of "loss", is:

- a. Permanently installed in or upon the covered "auto" in a housing, opening or other location that is not normally used by the "auto" manufacturer for the installation of such equipment;
  - b. Removable from a permanently installed housing unit as described in Paragraph 2.a. above or is an integral part of that equipment; or
  - c. An integral part of such equipment.
- 3. An adjustment for depreciation and physical condition will be made in determining actual cash value in the event of a total "loss".
  - 4. If a repair or replacement results in better than like kind or quality, we will not pay for the amount of the betterment.

**D. Deductible**

For each covered "auto", our obligation to pay for, repair, return or replace damaged or stolen property will be reduced by the applicable deductible shown in the Declarations. Any Comprehensive Coverage deductible shown in the Declarations does not apply to "loss" caused by fire or lightning.

**SECTION IV - BUSINESS AUTO CONDITIONS**

The following conditions apply in addition to the Common Policy Conditions:

**A. Loss Conditions**

**1. Appraisal For Physical Damage Loss**

If you and we disagree on the amount of "loss", either may demand an appraisal of the "loss". In this event, each party will select a competent appraiser. The two appraisers will select a competent and impartial umpire. The appraisers will state separately the actual cash value and amount of "loss". If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.

If we submit to an appraisal, we will still retain our right to deny the claim.

**2. Duties In The Event Of Accident, Claim, Suit Or Loss**

We have no duty to provide coverage under this policy unless there has been full compliance with the following duties:

- a. In the event of "accident", claim, "suit" or "loss", you must give us or our authorized representative prompt notice of the "accident" or "loss". Include:
  - (1) How, when and where the "accident" or "loss" occurred;
  - (2) The "insured's" name and address; and
  - (3) To the extent possible, the names and addresses of any injured persons and witnesses.
- b. Additionally, you and any other involved "insured" must:
  - (1) Assume no obligation, make no payment or incur no expense without our consent, except at the "insured's" own cost.
  - (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit".
  - (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit".
  - (4) Authorize us to obtain medical records or other pertinent information.
  - (5) Submit to examination, at our expense, by physicians of our choice, as often as we reasonably require.
- c. If there is "loss" to a covered "auto" or its equipment you must also do the following:
  - (1) Promptly notify the police if the covered "auto" or any of its equipment is stolen.
  - (2) Take all reasonable steps to protect the covered "auto" from further damage. Also keep a record of your expenses for consideration in the settlement of the claim.
  - (3) Permit us to inspect the covered "auto" and records proving the "loss" before its repair or disposition.
  - (4) Agree to examinations under oath at our request and give us a signed statement of your answers.

### 3. Legal Action Against Us

No one may bring a legal action against us under this coverage form until:

- a. There has been full compliance with all the terms of this coverage form; and
- b. Under Liability Coverage, we agree in writing that the "insured" has an obligation to pay or until the amount of that obligation has finally been determined by judgment after trial. No one has the right under this policy to bring us into an action to determine the "insured's" liability.

### 4. Loss Payment - Physical Damage Coverages

At our option we may:

- a. Pay for, repair or replace damaged or stolen property;
- b. Return the stolen property, at our expense. We will pay for any damage that results to the "auto" from the theft; or
- c. Take all or any part of the damaged or stolen property at an agreed or appraised value.

If we pay for the "loss", our payment will include the applicable sales tax for the damaged or stolen property.

### 5. Transfer Of Rights Of Recovery Against Others To Us

If any person or organization to or for whom we make payment under this coverage form has rights to recover damages from another, those rights are transferred to us. That person or organization must do everything necessary to secure our rights and must do nothing after "accident" or "loss" to impair them.

## B. General Conditions

### 1. Bankruptcy

Bankruptcy or insolvency of the "insured" or the "insured's" estate will not relieve us of any obligations under this coverage form.

### 2. Concealment, Misrepresentation Or Fraud

This coverage form is void in any case of fraud by you at any time as it relates to this coverage form. It is also void if you or any other "insured", at any time, intentionally conceal or misrepresent a material fact concerning:

- a. This coverage form;
- b. The covered "auto";
- c. Your interest in the covered "auto"; or



d. A claim under this coverage form.

### 3. Liberalization

If we revise this coverage form to provide more coverage without additional premium charge, your policy will automatically provide the additional coverage as of the day the revision is effective in your state.

### 4. No Benefit To Bailee - Physical Damage Coverages

We will not recognize any assignment or grant any coverage for the benefit of any person or organization holding, storing or transporting property for a fee regardless of any other provision of this coverage form.

### 5. Other Insurance

a. For any covered "auto" you own, this coverage form provides primary insurance. For any covered "auto" you don't own, the insurance provided by this coverage form is excess over any other collectible insurance. However, while a covered "auto" which is a "trailer" is connected to another vehicle, the Liability Coverage this coverage form provides for the "trailer" is:

- (1) Excess while it is connected to a motor vehicle you do not own.
- (2) Primary while it is connected to a covered "auto" you own.

b. For Hired Auto Physical Damage Coverage, any covered "auto" you lease, hire, rent or borrow is deemed to be a covered "auto" you own. However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

c. Regardless of the provisions of Paragraph a. above, this coverage form's Liability Coverage is primary for any liability assumed under an "insured contract."

d. When this coverage form and any other coverage form or policy covers on the same basis, either excess or primary, we will pay only our share. Our share is the proportion that the Limit of Insurance of our coverage form bears to the total of the limits of all the coverage forms and policies covering on the same basis.

### 6. Premium Audit

a. The estimated premium for this coverage form is based on the exposures you told us you would have when this policy began. We will compute the final premium due

when we determine your actual exposures. The estimated total premium will be credited against the final premium due and the first Named Insured will be billed for the balance, if any. The due date for the final premium or retrospective premium is the date shown as the due date on the bill. If the estimated total premium exceeds the final premium due, the first Named Insured will get a refund.

b. If this policy is issued for more than one year, the premium for this coverage form will be computed annually based on our rates or premiums in effect at the beginning of each year of the policy.

### 7. Policy Period, Coverage Territory

Under this coverage form, we cover "accidents" and "losses" occurring:

- a. During the policy period shown in the Declarations; and
- b. Within the coverage territory.

The coverage territory is:

- (1) The United States of America;
- (2) The territories and possessions of the United States of America;
- (3) Puerto Rico; and
- (4) Canada; and
- (5) Anywhere in the world, if:

(a) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 30 days or less; and

(b) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.

We also cover "loss" to, or "accidents" involving, a covered "auto" while being transported between any of these places.

### 8. Two Or More Coverage Forms Or Policies Issued By Us

If this coverage form and any other coverage form or policy issued to you by us or any company affiliated with us applies to the same "accident," the aggregate maximum Limit of Insurance under all the coverage forms or policies shall not exceed the highest applicable Limit of



Insurance under any one coverage form or policy. This condition does not apply to any coverage form or policy issued by us or an affiliated company specifically to apply as excess insurance over this coverage form.

## SECTION V - DEFINITIONS

A. "Accident" includes continuous or repeated exposure to the same conditions resulting in "bodily injury" or "property damage".

B. "Auto" means:

1. A land motor vehicle, "trailer" or semi-trailer designed for travel on public roads; or
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

C. "Bodily injury" means bodily injury, sickness or disease sustained by a person including death resulting from any of these.

D. "Covered pollution cost or expense" means any cost or expense arising out of:

1. Any request, demand, order or statutory or regulatory requirement that any "insured" or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of "pollutants"; or
2. Any claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to or assessing the effects of "pollutants".

"Covered pollution cost or expense" does not include any cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":

- a. That are, or that are contained in any property that is:
  - (1) Being transported or towed by, handled or handled for movement into, onto or from the covered "auto";
  - (2) Otherwise in the course of transit by or on behalf of the "insured"; or
  - (3) Being stored, disposed of, treated or processed in or upon the covered "auto";

b. Before the "pollutants" or any property in which the "pollutants" are contained are moved from the place where they are accepted by the "insured" for movement into or onto the covered "auto"; or

c. After the "pollutants" or any property in which the "pollutants" are contained are moved from the covered "auto" to the place where they are finally delivered, disposed of or abandoned by the "insured".

Paragraph a. above does not apply to fuels, lubricants, fluids, exhaust gases or other similar "pollutants" that are needed for or result from the normal electrical, hydraulic or mechanical functioning of the covered "auto" or its parts, if:

- (1) The "pollutants" escape, seep, migrate or are discharged, dispersed or released directly from an "auto" part designed by its manufacturer to hold, store, receive or dispose of such "pollutants"; and
- (2) The "bodily injury", "property damage" or "covered pollution cost or expense" does not arise out of the operation of any equipment listed in Paragraphs 6.b. or 6.c. of the definition of "mobile equipment",

Paragraphs b. and c. above do not apply to "accidents" that occur away from premises owned by or rented to an "insured" with respect to "pollutants" not in or upon a covered "auto" if:

- (a) The "pollutants" or any property in which the "pollutants" are contained are upset, overturned or damaged as a result of the maintenance or use of a covered "auto;" and
- (b) The discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused directly by such upset, overturn or damage.

E. "Diminution in value" means the actual or perceived loss in market value or resale value which results from a direct and accidental "loss".

F. "Employee" includes a "leased worker". "Employee" does not include a "temporary worker".

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**G. "Insured"** means any person or organization qualifying as an insured in the Who Is An Insured provision of the applicable coverage. Except with respect to the Limit of Insurance, the coverage afforded applies separately to each insured who is seeking coverage or against whom a claim or "suit" is brought.

**H. "Insured contract"** means:

1. A lease of premises;
2. A sidetrack agreement;
3. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
4. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
5. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another to pay for "bodily injury" or "property damage" to a third party or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.
6. That part of any contract or agreement entered into, as part of your business, pertaining to the rental or lease, by you or any of your "employees", of any "auto". However, such contract or agreement shall not be considered an "insured contract" to the extent that it obligates you or any of your "employees" to pay for "property damage" to any "auto" rented or leased by you or any of your "employees".

An "insured contract" does not include that part of any contract or agreement:

- a. That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;
- b. That pertains to the loan, lease or rental of an "auto" to you or any of your "employees", if the "auto" is loaned, leased or rented with a driver; or
- c. That holds a person or organization engaged in the business of transporting property by "auto" for hire harmless for your use of a covered "auto" over a route or territory that person or organization is authorized to serve by public authority.

**I. "Leased worker"** means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

**J. "Loss"** means direct and accidental loss or damage.

**K. "Mobile equipment"** means any of the following types of land vehicles, including any attached machinery or equipment:

1. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
2. Vehicles maintained for use solely on or next to premises you own or rent;
3. Vehicles that travel on crawler treads;
4. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
  - a. Power cranes, shovels, loaders, diggers or drills; or
  - b. Road construction or resurfacing equipment such as graders, scrapers or rollers;
5. Vehicles not described in Paragraph 1., 2., 3. or 4. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
  - a. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well-servicing equipment; or
  - b. Cherry pickers and similar devices used to raise or lower workers; or
6. Vehicles not described in Paragraph 1., 2., 3. or 4. above maintained primarily for purposes other than the transportation of persons or cargo. However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":
  - a. Equipment designed primarily for:
    - (1) Snow removal;
    - (2) Road maintenance, but not construction or resurfacing; or
    - (3) Street cleaning;
  - b. Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

- c. Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting or well-servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- L. "Pollutants" means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.
- M. "Property damage" means damage to or loss of use of tangible property.
- N. "Suit" means a civil proceeding in which:

- 1. Damages because of "bodily injury" or "property damage"; or
- 2. A "covered pollution cost or expense" to which this insurance applies, are alleged.

"Suit" includes:

- a. An arbitration proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the "insured" must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such damages or "covered pollution costs or expenses" are claimed and to which the insured submits with our consent.
- O. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
  - P. "Trailer" includes semitrailer.

INTERLINE

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## NUCLEAR ENERGY LIABILITY EXCLUSION ENDORSEMENT (Broad Form)

This endorsement modifies insurance provided under the following:

COMMERCIAL AUTO MOBILE COVERAGE PART  
COMMERCIAL GENERAL LIABILITY COVERAGE PART  
FARM COVERAGE PART  
LIQUOR LIABILITY COVERAGE PART  
MEDICAL PROFESSIONAL LIABILITY COVERAGE PART  
OWNERS AND CONTRACTORS PROTECTIVE LIABILITY COVERAGE PART  
POLLUTION LIABILITY COVERAGE PART  
PRODUCTS/COMPLETED OPERATIONS LIABILITY COVERAGE PART  
RAILROAD PROTECTIVE LIABILITY COVERAGE PART  
UNDERGROUND STORAGE TANK POLICY

**1. The insurance does not apply:**

**A. Under any Liability Coverage, to "bodily injury" or "property damage":**

- (1) With respect to which an "insured" under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
- (2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which (a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof, or (b) the "insured" is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

**B. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.**

**C. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:**

- (1) The "nuclear material" (a) is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured" or (b) has been discharged or dispersed therefrom;
- (2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an "insured;" or
- (3) The "bodily injury" or "property damage" arises out of the furnishing by an "insured" of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility," but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion (3) applies only to "property damage" to such "nuclear facility" and any property thereat.

**2. As used in this endorsement:**

"Hazardous properties" includes radioactive, toxic or explosive properties.

"Nuclear material" means "source material," "special nuclear material" or "by-product material."

"Source material," "special nuclear material," and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.

"Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor."

"Waste" means any waste material (a) containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content, and (b) resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility."

"Nuclear facility" means:

- (a) Any "nuclear reactor;"
- (b) Any equipment or device designed or used for (1) separating the isotopes of uranium or plutonium, (2) processing or

utilizing "spent fuel," or (3) handling, processing or packaging "waste;"

- (c) Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;
- (d) Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste;"

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

"Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

"Property damage" includes all forms of radioactive contamination of property.

## COMMERCIAL AUTO

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ILLINOIS CHANGES

For a covered "auto" licensed or principally garaged in Illinois, this endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM**

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A. Changes In Covered Autos Liability Coverage**

1. Paragraph 1.b.(3) of the **Who Is An Insured** provision does not apply.
2. The **Limit Of Insurance** provision applies except that we will apply the Covered Autos Liability Coverage limit shown in the Declarations to first provide the separate limits required by the Illinois Safety Responsibility Law as follows:
  - a. \$25,000 for "bodily injury" to any one person caused by any one "accident";
  - b. \$50,000 for "bodily injury" to two or more persons caused by any one "accident"; and
  - c. \$20,000 for "property damage" caused by any one "accident".

This provision will not change our total Limit of Insurance for Covered Autos Liability Coverage.

**B. Changes In Physical Damage Coverage**

Paragraph 3. of the **Limits Of Insurance** provision is replaced by the following:

3. We may deduct for betterment if:
  - a. The deductions reflect a measurable decrease in market value attributable to the poorer condition of, or prior damage to, the vehicle.
  - b. The deductions are for prior wear and tear, missing parts and rust damage that are reflective of the

general overall condition of the vehicle considering its age. In this event, deductions may not exceed \$500.

**C. Changes In Conditions**

The **Other Insurance** Condition in the Business Auto Coverage Form and the **Other Insurance Primary And Excess Insurance Provisions** Condition in the Motor Carrier Coverage Form are changed by the addition of the following:

Covered Autos Liability Coverage provided by this Coverage Form for any "auto" you do not own is primary if:

1. The "auto" is owned or held for sale or lease by a new or used vehicle dealership;
2. The "auto" is operated by an "insured" with the permission of the dealership described in Paragraph 1. while your "auto" is being repaired or evaluated; and
3. The Limit of Insurance for Covered Autos Liability Coverage under this Policy is at least:
  - a. \$100,000 for "bodily injury" to any one person caused by any one "accident";
  - b. \$300,000 for "bodily injury" to two or more persons caused by any one "accident"; and
  - c. \$50,000 for "property damage" caused by any one "accident".



POLICY NUMBER: CMM 4871702

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SILICA OR SILICA-RELATED DUST EXCLUSION FOR COVERED AUTOS EXPOSURE**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

- A.** The following exclusion is added to Paragraph **B. Exclusions of Section II - Liability Coverage** in the Business Auto, Motor Carrier and Truckers Coverage Forms and for "**Garage Operations**" - Covered "**Autos**" in the Garage Coverage Form:

### **SILICA OR SILICA-RELATED DUST EXCLUSION FOR COVERED AUTOS EXPOSURE**

This insurance does not apply to:

1. "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica" or "silica-related dust".
2. "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica" or "silica-related dust".

3. Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica" or "silica-related dust", by any "insured" or by any other person or entity.

### **B. Additional Definitions**

As used in this endorsement:

1. "Silica" means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
2. "Silica-related dust" means a mixture or combination of silica and other dust or particles.

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COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**WHO IS AN INSURED AMENDMENT**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM**

Under **SECTION II - LIABILITY COVERAGE** Item A. **Coverage**, paragraph 1.b.(1) is deleted and replaced with the following:

- (1) The owner, any "employee" or agent of the owner, or anyone else from whom you hire or borrow a covered "auto". This exception does not apply if the covered "auto" is a "trailer" connected to a covered "auto" you own.

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**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****AUTO MEDICAL PAYMENTS COVERAGE**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A. Coverage**

We will pay reasonable expenses incurred for necessary medical and funeral services to or for an "insured" who sustains "bodily injury" caused by "accident." We will pay only those expenses incurred, for services rendered within three years from the date of the "accident."

**B. Who Is An Insured**

1. You while "occupying" or, while a pedestrian, when struck by any "auto."
2. If you are an individual, any "family member" while "occupying" or, while a pedestrian, when struck by any "auto."
3. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto." The covered "auto" must be out of service because of its breakdown, repair, servicing, loss or destruction.

**C. Exclusions**

This insurance does not apply to any of the following:

1. "Bodily injury" sustained by an "insured" while "occupying" a vehicle located for use as a premises.
2. "Bodily injury" sustained by you or any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by you or furnished or available for your regular use.
3. "Bodily injury" sustained by any "family member" while "occupying" or struck by any vehicle (other than a covered "auto") owned by or furnished or available for the regular use of any "family member."
4. "Bodily injury" to your "employee" arising out of and in the course of employment by you. However, we will cover "bodily injury" to your domestic "employees" if not entitled to workers' compensation benefits. For the purposes of

this endorsement, a domestic "employee" is a person engaged in household or domestic work performed principally in connection with a residence premises.

5. "Bodily injury" to an "insured" while working in a business of selling, servicing, repairing or parking "autos" unless that business is yours.
6. "Bodily injury" arising directly or indirectly out of:
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.
7. "Bodily injury" to anyone using a vehicle without a reasonable belief that the person is entitled to do so.
8. "Bodily Injury" sustained by an "insured" while "occupying" any covered "auto" while used in any professional racing or demolition contest or stunting activity, or while practicing for such contest or activity. This insurance also does not apply to any "bodily injury" sustained by an "insured" while the "auto" is being prepared for such a contest or activity.

**D. Limit Of Insurance**

Regardless of the number of covered "autos," "insureds," premiums paid, claims made or vehicles involved in the "accident," the most we will pay for "bodily injury" for each "insured" injured in any one "accident" is the Limit Of Insurance for Auto Medical Payments Coverage shown in the Declarations.

No one will be entitled to receive duplicate payments for the same elements of "loss" under this coverage and any Liability Coverage Form, Uninsured Motorists Coverage Endorsement or Underinsured Motorists Coverage Endorsement attached to this Coverage Part.

And Excess Insurance Provisions in the Truckers and Motor Carrier Coverage Forms to "other collectible insurance" applies only to other collectible auto medical payments insurance.

**E. Changes In Conditions**

The Conditions are changed for Auto Medical Payments Coverage as follows:

1. The Transfer Of Rights Of Recovery Against Others To Us Condition does not apply.
2. The reference in Other Insurance in the Business Auto and Garage Coverage Forms and Other Insurance - Primary

**F. Additional Definitions**

As used in this endorsement:

1. "Family member" means a person related to you by blood, marriage or adoption who is a resident of your household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.

POLICY NUMBER: CMM 4871702

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS UNINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, Illinois, this endorsement modifies insurance provided under the following:

GARAGE COVERAGE FORM  
 BUSINESS AUTO COVERAGE FORM  
 MOTOR CARRIER COVERAGE FORM  
 TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the Policy effective on the inception date of the Policy unless another date is indicated below:

**Named Insured:**

**Endorsement Effective Date:**

**SCHEDULE**

**Limit Of Insurance: \$**

**Each "Accident"**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**A. Coverage**

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "uninsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "uninsured motor vehicle".
2. Any judgment for damages arising out of a "suit" brought without our written consent is not binding on us.

**B. Who Is An Insured**

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds":
  - a. The Named Insured and any "family members".
  - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

- c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Covered Autos Liability under the Coverage Form, but only at times when that person is an "insured" for Covered Autos Liability under the Coverage Form.
- d. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds":
  - a. Anyone "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
  - b. Anyone else "occupying" an "auto" you do not own who is an "insured" for Covered Autos Liability under the Coverage Form, but only at times when that person is an "insured" for Covered Autos Liability under the Coverage Form.
  - c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

**C. Exclusions**

This insurance does not apply to any of the following:

1. Any claim settled without our consent.
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
3. "Bodily injury" sustained by:
  - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form;
  - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Uninsured Motorists Coverage under this Coverage Form; or
  - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Uninsured Motorists Coverage on a primary basis under any other Coverage Form or policy.
4. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
5. Punitive or exemplary damages.
6. "Bodily injury" arising directly or indirectly out of:
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

**D. Limit Of Insurance**

1. Regardless of the number of covered "autos", "insureds", premiums paid, claims made or vehicles involved in the "accident", the most we will pay for all damages resulting from any one "accident" is the Limit of Insurance for Uninsured Motorists Coverage shown in the Schedule or Declarations.

We will apply the limit shown in the declarations to first provide the separate limits required by the Illinois Safety Responsibility Law as follows:

- a. \$25,000 for "bodily injury" to any one person caused by any one "accident", and
- b. \$50,000 for "bodily injury" to two or more persons caused by any one "accident".

This provision will not change our total limit of liability.

2. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage form, Medical Payments Coverage endorsement, or Underinsured Motorists Coverage endorsement attached to this Coverage Part.

We will not make a duplicate payment under this coverage for any element of "loss" for which payment has been made by or for anyone who is legally responsible.

We will not pay for any element of "loss" if a person is entitled to receive payment for the same element of "loss" under any workers' compensation, disability benefits or similar law.

**E. Changes In Conditions**

The **Conditions** are changed for Uninsured Motorists Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance - Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Form are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all Coverage Forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any Coverage Form or policy providing coverage on either a primary or excess basis.
- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible uninsured motorists insurance providing coverage on a primary basis.
- c. If the coverage under this Coverage Form is provided:



(1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.

(2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.

**2. Duties In The Event Of Accident, Claim, Suit Or Loss in the Business Auto and Motor Carrier Coverage Forms and Duties In The Event Of Accident, Claim, Offense, Suit, Loss Or Acts, Errors Or Omissions in the Garage Coverage Form are changed by adding the following:**

- a. Promptly notify the police if a hit-and-run driver is involved; and
- b. Promptly send us copies of the legal papers if a "suit" is brought.

**3. Legal Action Against Us is replaced by the following:**

**Legal Action Against Us**

- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.
- b. Any legal action against us must be brought within two years after the date of the "accident." However, this Paragraph 3.b does not apply to an "insured" if, within two years after the date of the "accident", arbitration proceedings have commenced in accordance with the provisions of this Coverage Form.

**4. Transfer Of Rights Of Recovery Against Others To Us does not apply.**

**5. The following conditions are added:**

**REIMBURSEMENT AND TRUST**

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

**ARBITRATION**

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "uninsured motor vehicle" or do not agree as to the amount of damages, then the disagreement will be arbitrated. If the "insured" requests, we and the "insured" will each select an arbitrator. The two arbitrators will select a third. If the arbitrators are not selected within 45 days of the "insured's" request, either party may request that arbitration be submitted to the American Arbitration Association. We will bear all the expenses of the arbitration except when the "insured's" recovery exceeds the minimum limit specified in the Illinois Safety Responsibility Law.

If this occurs, the "insured" will be responsible for payment of his or her expenses and an equal share of the expenses of the third arbitrator up to the amount by which the "insured's" recovery exceeds the statutory minimum.

- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives.
- c. If arbitration is submitted to the American Arbitration Association, then the American Arbitration Association rules shall apply to all matters except medical opinions. As to medical opinions, if the amount of damages being sought:

(1) Is equal to or less than the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then the American Arbitration Association rules shall apply.

(2) Exceeds the minimum limit for bodily injury liability specified by the Illinois Safety Responsibility Law, then rules of evidence that apply in the circuit court for placing medical opinions into evidence shall apply.

In all other arbitration proceedings, local rules of law as to arbitration procedure and evidence will apply.

- d. If the arbitration involves three arbitrators, a decision agreed to by two of the arbitrators will be binding for the amount of damages not exceeding the lesser of either:

- (1) \$75,000 for "bodily injury" to any one person/\$150,000 for "bodily injury" to two or more persons caused by any one "accident"; or
- (2) The Limit Of Uninsured Motorists Insurance shown in the Schedule or Declarations.

**F. Additional Definitions**

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a resident of such Named Insured's household, including a ward or foster child.
2. "Occupying" means in, upon, getting in, on, out or off.
3. "Uninsured motor vehicle" means a land motor vehicle or "trailer":
  - a. For which no liability bond or policy at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged;

- b. For which an insuring or bonding company denies coverage or is or becomes insolvent; or
- c. That is a hit-and-run vehicle and neither the driver nor owner can be identified. The vehicle must hit, or cause an object to hit, an "insured", a covered "auto" or a vehicle an "insured" is "occupying". If there is no physical contact with the hit-and-run vehicle, the facts of the "accident" must be proved.

However, "uninsured motor vehicle" does not include any vehicle:

- a. Owned or operated by a self-insurer under any applicable motor vehicle law, except a self-insurer who is or becomes insolvent and cannot provide the amounts required by that motor vehicle law;
- b. Owned by a governmental unit or agency; or
- c. Designed for use mainly off public roads while not on public roads.

POLICY NUMBER: CMM 4871702

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS UNDERINSURED MOTORISTS COVERAGE**

For a covered "auto" licensed or principally garaged in, or "garage operations" conducted in, Illinois, this endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:****Endorsement Effective Date:****SCHEDULE****Limit Of Insurance:****\$ "Each Accident"**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A. Coverage**

1. We will pay all sums the "insured" is legally entitled to recover as compensatory damages from the owner or driver of an "underinsured motor vehicle". The damages must result from "bodily injury" sustained by the "insured" caused by an "accident". The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the "underinsured motor vehicle".
2. We will pay only after all liability bonds or policies have been exhausted by payment of judgments or settlements, unless:
  - a. We have been given prompt written notice of a "tentative settlement" and decide to advance payment to the "insured" in an amount equal to that "tentative settlement" within 30 days after receipt of notification; or
  - b. We and an "insured" have reached a "settlement agreement".
3. Any judgment for damages arising out of a "suit" brought without written notice to us is not binding on us.

**B. Who Is An Insured**

If the Named Insured is designated in the Declarations as:

1. An individual, then the following are "insureds".
  - a. The Named Insured and any "family members".
  - b. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.
  - c. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.
  - d. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".
2. A partnership, limited liability company, corporation or any other form of organization, then the following are "insureds".
  - a. Anyone else "occupying" a covered "auto" or a temporary substitute for a covered "auto". The covered "auto" must be out of service because of its breakdown, repair, servicing, "loss" or destruction.

- b. Anyone else "occupying" an "auto" you do not own who is an "insured" for Liability under the Coverage Form, but only at times when that person is an "insured" for Liability under the Coverage Form.
- c. Anyone for damages he or she is entitled to recover because of "bodily injury" sustained by another "insured".

### C. Exclusions

This insurance does not apply to any of the following:

1. The direct or indirect benefit of any insurer under any workers' compensation, disability benefits or similar law.
2. "Bodily injury" sustained by:
  - a. An individual Named Insured while "occupying" or when struck by any vehicle owned by that Named Insured that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form;
  - b. Any "family member" while "occupying" or when struck by any vehicle owned by that "family member" that is not a covered "auto" for Underinsured Motorists Coverage under this Coverage Form; or
  - c. Any "family member" while "occupying" or when struck by any vehicle owned by the Named Insured that is insured for Underinsured Motorists Coverage on a primary basis under any other Coverage Form or policy.
3. Anyone using a vehicle without a reasonable belief that the person is entitled to do so.
4. Punitive or exemplary damages.
5. "Bodily injury" arising directly or indirectly out of:
  - a. War, including undeclared or civil war;
  - b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
  - c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

### D. Limit Of Insurance

1. Regardless of the number of covered "autos," "insureds," premiums paid, claims made or vehicles involved in the "accident," the most we will pay for all damages resulting from any one "accident" is the Limit of Insurance for Underinsured Motorists Coverage shown in this endorsement.
2. Except in the event of a "settlement agreement," the Limit Of Insurance for this coverage shall be reduced by all sums paid or payable:
  - a. By or for anyone who is legally responsible, including all sums paid under this Coverage Form's Liability Coverage.
  - b. Under any workers' compensation, disability benefits or similar law. However, the Limit of Insurance for this coverage shall not be reduced by any sums paid or payable under Social Security disability benefits.
  - c. Under any automobile medical payments coverage.
3. In the event of a "settlement agreement," the maximum Limit Of Insurance for this coverage shall be the amount by which the limit of insurance for this coverage exceeds the limits of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".
4. No one will be entitled to receive duplicate payments for the same elements of "loss" under this Coverage Form and any Liability Coverage Form.

### E. Changes In Conditions

The conditions are changed for Underinsured Motorists Coverage as follows:

1. **Other Insurance** in the Business Auto and Garage Coverage Forms and **Other Insurance - Primary And Excess Insurance Provisions** in the Truckers and Motor Carrier Coverage Forms are replaced by the following:

If there is other applicable insurance available under one or more policies or provisions of coverage:

- a. The maximum recovery under all coverage forms or policies combined may equal but not exceed the highest applicable limit for any one vehicle under any coverage form or policy providing coverage on either a primary or excess basis.

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- b. Any insurance we provide with respect to a vehicle the Named Insured does not own shall be excess over any other collectible underinsured motorists insurance providing coverage on a primary basis.
  - c. If the coverage under this Coverage Form is provided:
    - (1) On a primary basis, we will pay only our share of the loss that must be paid under insurance providing coverage on a primary basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on a primary basis.
    - (2) On an excess basis, we will pay only our share of the loss that must be paid under insurance providing coverage on an excess basis. Our share is the proportion that our limit of liability bears to the total of all applicable limits of liability for coverage on an excess basis.
- 2. Duties In The Event Of Accident, Claim, Suit Or Loss** is changed by adding the following:
- a. Give us written notice of a "tentative settlement" and allow us to advance payment in an amount equal to that settlement within 30 days after receipt of notification to preserve our rights against the owner or operator of the "underinsured motor vehicle".
  - b. File "suit" against the owner or operator of the "underinsured motor vehicle" prior to the conclusion of a "settlement agreement". Such "suit" cannot be abandoned or settled without giving us written notice of a "tentative settlement" and allowing us 30 days to advance payment in an amount equal to that settlement to preserve our rights against the owner or operator of the "underinsured motor vehicle".
  - c. Promptly send us copies of the legal papers if a "suit" is brought.
- 3. Legal Action Against Us** is replaced by the following:
- a. No one may bring a legal action against us under this Coverage Form until there has been full compliance with all the terms of this Coverage Form.
  - b. Any legal action against us under this Coverage Form must be brought

within two years after the date of the "accident". However, this Paragraph 3.b. does not apply if, within two years after the date of the "accident":

- (1) Arbitration proceedings have commenced in accordance with the provisions of this Coverage Form; or
- (2) The "insured" has filed an action for "bodily injury" against the owner or operator of an "underinsured motor vehicle", and such action is:
  - (a) Filed in a court of competent jurisdiction; and
  - (b) Not barred by the applicable state statute of limitations.

In the event that the two year time limitation identified in this condition does not apply, the applicable state statute of limitations will govern legal action against us under this Coverage Form.

- 4. The following is added to **Transfer Of Rights Of Recovery Against Others To Us**:

**Transfer Of Rights Of Recovery Against Others To Us** does not apply to damages caused by an "accident" with an "underinsured motor vehicle" if we:

- a. Have been given written notice of a "tentative settlement" between an "insured" and the insurer of an "underinsured motor vehicle"; and
- b. Fail to advance payment to the "insured" in an amount equal to the "tentative settlement" within 30 days after receipt of the notice.

If we advance payment to the "insured" in an amount equal to the "tentative settlement" within 30 days after receipt of notice:

- a. That payment will be separate from any amount the "insured" is entitled to recover under the provisions of Underinsured Motorists Coverage; and
- b. We will also have a right to recover the advanced payment.

However, in the event of a "settlement agreement," we shall be entitled to recover only for amounts which exceed the limit of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".

5. The following Conditions are added:

#### **REIMBURSEMENT AND TRUST**

If we make any payment and the "insured" recovers from another party, the "insured" shall hold the proceeds in trust for us and pay us back the amount we have paid.

However, in the event of a "settlement agreement," we shall be entitled to recover only for amounts which exceed the limit of bodily injury liability bonds or policies applicable to the owner or operator of the "underinsured motor vehicle".

#### **ARBITRATION**

- a. If we and an "insured" disagree whether the "insured" is legally entitled to recover damages from the owner or driver of an "underinsured motor vehicle" or do not agree as to the amount of damages that are recoverable by that "insured," then the matter may be arbitrated. However, disputes concerning coverage under this endorsement may not be arbitrated. Either party may make a written demand for arbitration. In this event, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within 30 days, either may request that selection be made by a judge of a court having jurisdiction. Each party will pay the expenses it incurs and bear the expenses of the third arbitrator equally.
- b. Unless both parties agree otherwise, arbitration will take place in the county in which the "insured" lives. Local rules of law as to arbitration procedure and evidence will apply. A decision agreed to by two of the arbitrators will be binding.

#### **F. Additional Definitions**

As used in this endorsement:

1. "Family member" means a person related to an individual Named Insured by blood, marriage or adoption who is a

resident of such Named Insured's household, including a ward or foster child.

2. "Occupying" means in, upon, getting in, on, out or off.
3. "Settlement agreement" means we and an "insured" agree that the "insured" is legally entitled to recover, from the owner or operator of the "underinsured motor vehicle," damages for "bodily injury" and, without arbitration, agree also as to the amount of damages. Such agreement is final and binding regardless of any subsequent judgment or settlement reached by the "insured" with the owner or operator of the "underinsured motor vehicle".
4. "Tentative settlement" means an offer from the owner or operator of the "underinsured motor vehicle" to compensate an "insured" for damages incurred because of "bodily injury" sustained in an accident involving an "underinsured motor vehicle".
5. "Underinsured motor vehicle" means a land motor vehicle or "trailer" for which the sum of all liability bonds or policies at the time of an "accident" provides at least the amounts required by the applicable law where a covered "auto" is principally garaged but that sum is either less than the Limit of Insurance of this coverage or reduced by payments to other persons resulting from the same "accident" to an amount less than the Limit of Insurance of this coverage. However, "underinsured motor vehicle" does not include any vehicle:
  - a. Owned or operated by any self-insurer under any applicable motor vehicle law.
  - b. Owned by a governmental unit or agency.
  - c. Designed for use mainly off public roads while not on public roads.
  - d. Which is an "uninsured motor vehicle".



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COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**WAIVER OF COLLISION DEDUCTIBLE - NOT AT FAULT ACCIDENT**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM.**

The deductible amount shall not apply to loss caused by collision between your covered auto and another automobile, provided:

- (a) The loss to the covered auto is greater than the deductible amount; and
- (b) The owner or operator of such other automobile has been identified; and
- (c) The owner or operator of such other automobile is legally liable for the loss to your covered auto; and
- (d) There is a valid Property Damage Liability Insurance Policy applicable at the time of the accident with respect to the person or organization legally responsible for such loss to the covered auto.

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## COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**  
**BUSINESS AUTO EXPANDED ENDORSEMENT**

This endorsement modifies insurance provided under the following:

**BUSINESS AUTO COVERAGE FORM**

**SCHEDULE**

The coverage provided by this endorsement is summarized below and is intended to provide a general coverage description only. For the details affecting each coverage, please refer to the terms and conditions in this endorsement.

- A. Who Is An Insured broadened:**
  - Additional Insured by Contract, Agreement or Permit
  - Legally Incorporated Subsidiaries
  - Newly Acquired Organizations
- B. Supplementary Payments**
  - Bail Bonds - \$5000
  - Loss of Earnings - \$500
- C. Fellow Employee Exclusion Amendment**
- D. Coverage Extensions**
  - Transportation Expenses
  - Personal Effects (Excess Basis)
- E. Additional Coverages**
  - Expenses paid for returning a stolen covered auto
  - Fire Department Service Charge
- F. Airbag Coverage - Accidental Discharge**
- G. Glass Repair - Waiver of Deductible**
- H. Knowledge and Notice of an Accident, Claim or Suit**
- I. Unintentional Failure To Disclose Hazards**
- J. Worldwide Coverage**
- K. Definitions**
  - Bodily Injury Redefined

In addition to the policy amendments contained in A. through K. listed above, the endorsements listed below will automatically be attached to your policy to complete the coverage provided by the Business Auto Expanded Endorsement:

- Audio, Visual and Data Electronic Equipment Coverage Added Limits - CA 99 60
- Auto Loan/Lease Gap Coverage - CA 20 71
- Drive Other Car Coverage - Broadened Coverage For Named Individuals - (Executive Officers/Spouses) - CA 99 10
- Employee Hired Autos - CA 20 54
- Employees As Insureds - CA 99 33
- Hired Auto Physical Damage (Refer to Auto Declarations page)
- Rental Reimbursement Coverage - CA 99 23
- Waiver of Transfer of Rights of Recovery (Waiver of Subrogation) - CA 04 44

**A. WHO IS AN INSURED BROADENED**

**SECTION II - LIABILITY COVERAGE, item A. Coverage, 1. Who Is An Insured** is amended to include the following additional paragraphs:

- d.** Any legally incorporated subsidiary of yours in which you own more than 50% of the voting stock on the effective date of this endorsement.

However, "insured" does not include any subsidiary that is an "insured" under any other liability policy or would be an "insured" under such a

policy but for its termination or the exhaustion of its limit of insurance.

Coverage under this provision is afforded only for the first 180 days after you acquire or form the organization or until the end of the policy period, whichever comes first.

- e.** Any organization you newly acquire or form, other than a partnership or joint venture, and over which you maintain ownership or a majority interest. However, coverage under this provision:

(1) Does not apply if the organization you acquire or form is an "insured" under another auto liability policy or would be "insured" under such a policy but for its termination or the exhaustion of its limits of insurance;

(2) Does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and

(3) Is afforded only for the first 180 days after you acquire or form the organization or until the end of the policy period, whichever comes first.

f. Any person or organization with whom you agreed in writing in a contract, agreement or permit, to provide insurance such as is afforded under this policy.

This provision only applies if the written contract or agreement has been executed or permit has been issued, prior to the "bodily injury" or "property damage".

#### B. SUPPLEMENTAL PAYMENTS

**SECTION II - LIABILITY COVERAGE**, item A. Coverage, 2. Coverage Extensions, a. Supplementary Payments, subparagraphs (2) and (4) are deleted and replaced with the following:

(2) Up to \$5,000 for cost of bail bonds (including bonds for related traffic law violations) required because of an "accident" we cover. We do not have to furnish these bonds.

(4) All reasonable expenses incurred by the "insured" at our request, including actual loss of earnings up to \$500 per day because of time off from work.

#### C. FELLOW EMPLOYEE EXCLUSION AMENDMENT

**SECTION II - LIABILITY COVERAGE**, item B. Exclusions, 5. Fellow Employee does not apply if the "bodily injury" results from the use of a covered "auto" you own or hire.

#### D. COVERAGE EXTENSIONS

**SECTION III - PHYSICAL DAMAGE COVERAGE**, Item A. Coverage, 4. Coverage Extensions, a. Transportation Expenses is replaced with the following:

##### a. Transportation Expenses

We will pay up to \$100 per day to a maximum of \$1,800 for transportation expense incurred by you because of the total theft of a covered "auto" of the private passenger type. We will pay only for those covered "autos" for which you carry either Comprehensive or Specified Causes of Loss Coverage. We will pay for transportation expenses incurred during the period beginning 48 hours after the theft and ending, regardless of the policy's expiration, when the covered "auto" is returned to use or we pay for its "loss".

The following is added to Item 4. Coverage Extensions:

##### c. Personal Effects

We will pay up to \$500 for the "loss" of your personal effects that are contained in a covered "auto" due to the total theft of the covered "auto." We will pay only for those personal effects that are contained in covered "autos" for which you carry either Comprehensive or Specified Causes Of Loss Coverage.

Our payment for "loss" of or damage to personal effects will apply only on an excess basis over other collectible insurance.

#### E. ADDITIONAL COVERAGES

**SECTION III - PHYSICAL DAMAGE COVERAGE**, A. Coverage, is amended to include the following additional coverage items:

5. We will pay the expense of returning a stolen covered "auto" to you.

##### 6. Fire Department Service Charge

When a fire department is called to save or protect a covered "auto", its equipment, its contents or occupants from a Covered Cause Of Loss, we will pay up to \$1,000 for your liability for Fire Department Service Charges:

(a) Assumed by contract or agreement prior to loss; or

(b) Required by local ordinance.

No deductible applies to this additional coverage.

#### F. AIRBAG COVERAGE - ACCIDENTAL DISCHARGE

**SECTION III - PHYSICAL DAMAGE COVERAGE**, Item B. Exclusions, subparagraph 3.a. is deleted and replaced with the following:

a. Wear and tear, freezing, mechanical or electrical breakdown.

Mechanical breakdown does not apply to the accidental discharge of an airbag.

**G. GLASS REPAIR - WAIVER OF DEDUCTIBLE**

**SECTION III - PHYSICAL DAMAGE COVERAGE**, item D. **Deductible** the following paragraph is added:

No deductible shall apply to glass damage if the glass is repaired rather than replaced.

**H. KNOWLEDGE AND NOTICE OF AN ACCIDENT, CLAIM OR SUIT**

**SECTION IV - BUSINESS AUTO CONDITIONS**, Item A. **Loss Conditions** is amended as follows:

Subparagraph a. under Item 2. **Duties In The Event Of Accident, Claim, Suit Or Loss**, is amended to include the following paragraphs:

This requirement applies when the "accident," claim, "suit" or "loss" is first known to:

- (1) You, if you are an individual;
- (2) A partner, if you are a partnership; or
- (3) An executive officer or insurance manager, if you are a corporation.

Subparagraph b.(2) under 2. **Duties In The Event Of Accident, Claim, Suit Or Loss** is amended as follows:

- (2) Immediately send us copies of any request, demand, order, notice, summons or legal paper received concerning the claim or "suit."

Your employees may know of documents received concerning a claim or "suit". This will not mean that you have such knowledge, unless receipt of such documents is known to you, any of your executive officers or partners or your insurance manager.

**I. UNINTENTIONAL FAILURE TO DISCLOSE HAZARDS**

Under **SECTION IV - BUSINESS AUTO CONDITIONS**, B. **General Conditions**, 2. **Concealment, Misrepresentation Or Fraud** is amended to include the following additional paragraph:

If you unintentionally fail to disclose any hazards existing at the inception date of your policy, we will not deny coverage under this Coverage Part because of such failure.

**J. WORLDWIDE COVERAGE**

Under **SECTION IV - BUSINESS AUTO CONDITIONS**, B. **General Conditions**, 7. **Policy Period, Coverage Territory**, subparagraph (5) is deleted and replaced with the following:

(5) Anywhere in the world, if:

- (a) A covered "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period of 45 days or less; and
- (b) The "insured's" responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada or in a settlement we agree to.
- (c) If, for such "autos" a "suit" is brought outside the territory described in 7.(1) through 7.(4) above, we will reimburse the insured for defense expenses incurred with our written consent, but we will make no payment, nor will we reimburse the insured for damages.

**K. DEFINITIONS**

Under **SECTION V - DEFINITIONS**, Item C. is replaced by the following:

- C. "Bodily injury" means bodily injury, sickness or disease sustained by a person, including mental anguish, mental injury or death resulting from any of these. "Bodily injury" includes mental anguish or other mental injury resulting from "bodily injury".

POLICY NUMBER:

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****AUTO LOAN/LEASE GAP COVERAGE**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
 BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM  
 GARAGE COVERAGE FORM  
 MOTOR CARRIER COVERAGE FORM  
 TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

|   |  |
|---|--|
| Endorsement Effective                       | Countersigned by:<br><br><br><br><br><br><br><br><br><br>(Authorized Representative) |
| Named Insured:<br>BEAR CONSTRUCTION COMPANY |  |

**SCHEDULE**

| Vehicle No. | Description Of Loan/Lease "Autos" Which Are Covered "Autos" | Other Than Collision Additional Premium | Collision Additional Premium |
|-------------|---|---|------------------------------|
|             | Applies to ALL VEHICLES Scheduled                           | \$                                      | \$                           |
|             |   | \$                                      | \$                           |
|             |   | \$                                      | \$                           |

(If no entry appears above, information required to complete this endorsement will be shown in the Declarations as applicable to this endorsement.)

The **Physical Damage Coverage** Section is amended by the addition of the following:

In the event of a total "loss" to a covered "auto" shown in the Schedule or Declarations for which a specific premium charge indicates that Auto Loan/Lease GAP Coverage applies, we will pay any unpaid amount due on the lease or loan for a covered "auto", less:

1. The amount paid under the Physical Damage Coverage Section of the policy; and
2. Any:
  - a. Overdue lease/loan payments at the time of the "loss";
  - b. Financial penalties imposed under a lease for excessive use, abnormal wear and tear or high mileage.
  - c. Security deposits not returned by the lessor;
  - d. Costs for extended warranties, Credit Life Insurance, Health, Accident or Disability Insurance purchased with the loan or lease; and
  - e. Carry-over balances from previous loans or leases.

POLICY NUMBER: CMM 4871702

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****AUDIO, VISUAL AND DATA ELECTRONIC  
EQUIPMENT COVERAGE ADDED LIMITS**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
 BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM  
 GARAGE COVERAGE FORM  
 MOTOR CARRIER COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:****Endorsement Effective Date:****SCHEDULE**

| <b>Description Of Covered "Auto":</b>  | <b>Each "Accident" Limit</b> | <b>Additional Premium</b> |
|--|------------------------------|---------------------------|
| Applies to ALL VEHICLES Scheduled  | \$                           | \$ Included               |
|  | \$                           | \$                        |
|  | \$                           | \$                        |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |                              |                           |

The Physical Damage Coverage section is amended as follows:

The sub-limit in Paragraph C.2. of the Limit Of Insurance Provision is in addition to the Each "Accident" Limit shown in the Schedule of this endorsement.



POLICY NUMBER: CMM 4871702

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****DRIVE OTHER CAR COVERAGE - BROADENED  
COVERAGE FOR NAMED INDIVIDUALS**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
 BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM  
 GARAGE COVERAGE FORM  
 MOTOR CARRIER COVERAGE FORM  
 TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:****Endorsement Effective Date:****SCHEDULE****Name of Individual:**

Executive Officers and Spouse / members of that person's household

|  |                    |                    |                 |                    |
|--|--------------------|--------------------|-----------------|--------------------|
| <b>Liability</b>   | <b>Limit:</b>      | <b>\$ Included</b> | <b>Premium:</b> | <b>\$ Included</b> |
| <b>Auto Medical Payments</b>   | <b>Limit:</b>      | <b>\$ Included</b> | <b>Premium:</b> | <b>\$ Included</b> |
| <b>Comprehensive</b>   | <b>Deductible:</b> | <b>\$ 0.</b>       | <b>Premium:</b> | <b>\$ Included</b> |
| <b>Collision</b>   | <b>Deductible:</b> | <b>\$ 50.</b>      | <b>Premium:</b> | <b>\$ Included</b> |
| <b>Uninsured Motorists</b>   | <b>Limit:</b>      | <b>\$ Included</b> | <b>Premium:</b> | <b>\$ Included</b> |
| <b>Underinsured Motorists</b>  | <b>Limit:</b>      | <b>\$ Included</b> | <b>Premium:</b> | <b>\$ Included</b> |
| Information required to complete this Schedule, if not shown above, will be shown in the Declarations. |                    |                    |                 |                    |

**Note** - When Uninsured Motorists Coverage is provided at limits higher than the basic limits required by a financial responsibility law, Underinsured Motorists Coverage is included, unless otherwise noted. If Underinsured Motorists Coverage is provided as a separate coverage, make appropriate entry in the Schedule above.

**A.** This endorsement changes only those coverages where a premium is shown in the Schedule.

**B. Changes In Liability Coverage**

1. Any "auto" you don't own, hire or borrow is a covered "auto" for Liability Coverage while being used by any individual named in the Schedule or by his or her spouse while a resident of the same household except:

a. Any "auto" owned by that individual or by any member of his or her household.

b. Any "auto" used by that individual or his or her spouse while working in a business of selling, servicing, repairing or parking "autos."

2. The following is added to **Who Is An Insured:**

Any individual named in the Schedule and his or her spouse, while a resident of the same household, are "insureds" while using any covered "auto" described in Paragraph B.1. of this endorsement.

**C. Changes In Auto Medical Payments And Uninsured And Underinsured Motorists Coverages**

The following is added to **Who Is An Insured**:

Any individual named in the Schedule and his or her "family members" are "insureds" while "occupying" or while a pedestrian when being struck by any "auto" you don't own except:

Any "auto" owned by that individual or by any "family member."

**D. Changes In Physical Damage Coverage**

Any private passenger type "auto" you don't own, hire or borrow is a covered "auto" while in the care, custody or control of any

individual named in the Schedule or his or her spouse while a resident of the same household except:

1. Any "auto" owned by that individual or by any member of his or her household.
2. Any "auto" used by that individual or his or her spouse while working in a business of selling, servicing, repairing or parking "autos."

**E. Additional Definition**

As used in this endorsement:

"Family member" means a person related to the individual named in the Schedule by blood, marriage or adoption who is a resident of the individual's household, including a ward or foster child.

FILED DATE: 8/7/2018 12:15 PM 2018CH10012

POLICY NUMBER: CMM 4871702

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****RENTAL REIMBURSEMENT COVERAGE**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
 BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM  
 GARAGE COVERAGE FORM  
 MOTOR CARRIER COVERAGE FORM  
 TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:****Endorsement Effective Date:****SCHEDULE**

| Coverage                        | Designation Or Description Of Covered "Autos" To Which This Insurance Applies          | Maximum Payment Each Covered "Auto" |             |                | Premium     |
|---------------------------------|--|-------------------------------------|-------------|----------------|-------------|
|                                 |  | Any One Day                         | No. Of Days | Any One Period |             |
| <b>Comprehensive</b>            | Applies to all Vehicles scheduled except vehicles specifically described on this form. | \$ 60.                              | 30          | \$ 1,800.      | \$ Included |
| <b>Collision</b>                | Applies to all Vehicles scheduled except vehicles specifically described on this form. | \$ 60.                              | 30          | \$ 1,800.      | \$ Included |
| <b>Specified Causes Of Loss</b> |  | \$                                  |             | \$             | \$          |
| <b>Total Premium</b>            |  |                                     |             |                | \$          |

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

- A. This endorsement provides only those coverages where a premium is shown in the Schedule. It applies only to a covered "auto" described or designated in the Schedule.
- B. We will pay for rental reimbursement expenses incurred by you for the rental of an "auto" because of "loss" to a covered "auto". Payment applies in addition to the otherwise applicable amount of each coverage you have on a covered "auto". No deductibles apply to this coverage.
- C. We will pay only for those expenses incurred during the policy period beginning 24 hours after the "loss" and ending, regardless of the policy's expiration, with the lesser of the following number of days:
  1. The number of days reasonably required to repair or replace the covered "auto." If "loss" is caused by theft, this number of days is added to the number of days it takes to locate the covered "auto" and return it to you.
  2. The number of days shown in the Schedule.
- D. Our payment is limited to the lesser of the following amounts:
  1. Necessary and actual expenses incurred.
  2. The maximum payment stated in the Schedule applicable to "any one day" or "any one period."
- E. This coverage does not apply while there are spare or reserve "autos" available to you for your operations.
- F. If "loss" results from the total theft of a covered "auto" of the private passenger type, we will pay under this coverage only that amount of your rental reimbursement expenses which is not already provided for under the Physical Damage Coverage Coverage Extension.

POLICY NUMBER: CMM 4871702

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WAIVER OF TRANSFER OF RIGHTS OF  
RECOVERY AGAINST OTHERS TO US  
(WAIVER OF SUBROGATION)**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM  
GARAGE COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

This endorsement changes the policy effective on the inception date of the policy unless another date is indicated below.

**Named Insured:****Endorsement Effective Date:****SCHEDULE****Name(s) Of Person(s) Or Organization(s):**  
**Automatic Status when required by Contract**

Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

The **Transfer Of Rights Of Recovery Against Others To Us** Condition does not apply to the person(s) or organization(s) shown in the Schedule, but only to the extent that subrogation is waived prior to the "accident" or the "loss" under a contract with that person or organization.

COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****EMPLOYEE HIRED AUTOS**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
 BUSINESS AUTO PHYSICAL DAMAGE  
 GARAGE COVERAGE FORM  
 MOTOR CARRIER COVERAGE FORM  
 TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A. Changes In Liability Coverage**

The following is added to the **Who Is An Insured** Provision:

An "employee" of yours is an "insured" while operating an "auto" hired or rented under a contract or agreement in that "employee's" name, with your permission, while performing duties related to the conduct of your business.

**C. Changes In General Conditions**

Paragraph 5.b. of the **Other Insurance** Condition in the Business Auto, Business Auto Physical Damage and Garage Coverage Forms. Paragraph 5.d. of the **Other Insurance-Primary And Excess Insurance Provisions** Condition in the Truckers Coverage Form and Paragraph 5.f. of the **Other In-**

**urance Primary And Excess Insurance Provisions** in the Motor Carrier Form are replaced by the following:

For Hired Auto Physical Damage Coverage, the following are deemed to be covered "autos" you own:

1. Any covered "auto" you lease, hire, rent or borrow; and
2. Any covered "auto" hired or rented by your "employee" under a contract in that individual "employee's" name, with your permission, while performing duties related to the conduct of your business.

However, any "auto" that is leased, hired, rented or borrowed with a driver is not a covered "auto".

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****ILLINOIS CHANGES - CANCELLATION AND NONRENEWAL**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
 BUSINESS AUTO PHYSICAL DAMAGE COVERAGE FORM  
 GARAGE COVERAGE FORM  
 MOTOR CARRIER COVERAGE FORM  
 TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

**A. The CANCELLATION COMMON POLICY Condition is replaced by the following:**

- a. The first Named Insured shown in the Declarations may cancel this policy by mailing us advance written notice of cancellation.
- b. When this policy is in effect 61 days or more or is a renewal or continuation policy, we may cancel only for one or more of the following reasons by mailing you written notice of cancellation stating the reasons for cancellation.

- (1) Nonpayment of premium.
- (2) The policy was obtained through a material misrepresentation.
- (3) Any "insured" has violated any of the terms and conditions of the policy.
- (4) The risk originally accepted has measurably increased.
- (5) Certification to the Director of Insurance of the loss of reinsurance by the insurer which provided coverage to us for all or a substantial part of the underlying risk insured.
- (6) A determination by the Director of Insurance that the continuation of the policy could place us in violation of the Illinois insurance laws.

- c. If we cancel for nonpayment of premium, we will mail you at least 10 days written notice.

- d. If this policy is cancelled for other than nonpayment of premium and the policy is in effect:

- (1) 60 days or less, we will mail you at least 30 days written notice.

- (2) 61 days or more, we will mail you at least 60 days written notice.

- e. If this policy is cancelled, we will send you any premium refund due. If we cancel, the refund will be pro rata. If you cancel, the refund may be less than pro rata. The cancellation will be effective even if we have not made or offered a refund.

- f. The effective date of cancellation stated in the notice shall become the end of the policy period.

- g. Our notice of cancellation will state the reason for cancellation.

- h. A copy of the notice will also be sent to your agent or broker and the loss payee.

**B. The following is added and supersedes any provision to the contrary:**

**NONRENEWAL**

If we decide not to renew or continue this policy, we will mail you, your agent or broker and the loss payee written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer. If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.

**C. MAILING OF NOTICES**

We will mail cancellation and nonrenewal notices to the last addresses known to us. Proof of mailing will be sufficient proof of notice.



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COMMERCIAL AUTO

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**EMPLOYEES AS INSURED**

This endorsement modifies insurance provided under the following:

BUSINESS AUTO COVERAGE FORM  
MOTOR CARRIER COVERAGE FORM  
TRUCKERS COVERAGE FORM

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

The following is added to the **Section II- Liability Coverage, Paragraph A.1. Who Is An Insured** Provision:

Any "employee" of yours is an "insured" while using a covered "auto" you don't own, hire or borrow in your business or your personal affairs.

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INLAND MARINE COVERAGE

FILED DATE: 8/7/2018 12:15 PM 2018CH10012

INLAND MARINE COVERAGE

INLAND MARINE COVERAGE

FILED DATE: 8/7/2018 12:15 PM 2018CH10012

|   |  |  |               |               |   |  |
|---|--|--|---------------|---------------|---|--|
|  <b>WESTFIELD</b><br><b>INSURANCE</b><br><small>Sharing Knowledge. Building Trust.®</small>   |  | <b>COMMERCIAL INLAND MARINE</b><br><b>RENEWAL DECLARATIONS</b><br><b>SCHEDULE OF COVERAGE FORMS</b>  |               | SR            |   |  |
| <b>COMPANY PROVIDING COVERAGE</b>   |  | <b>WESTFIELD INSURANCE COMPANY</b>   |               |               |   |  |
| <b>NAMED INSURED AND MAILING ADDRESS</b>  |  | <b>AGENCY</b>  | 12-01377      | PROD. 000     |   |  |
| BEAR CONSTRUCTION COMPANY<br>ALGONQUIN ASSOCIATES, LLC<br>1501 ROHLWING ROAD<br>ROLLING MEADOWS IL 60008  |  | ASSURANCE AGENCY LTD<br>1750 E GOLF RD 11TH FLR<br>SCHAMBURG IL 60173-5835<br>TELEPHONE 847-797-5700 |               |               |   |  |
| Policy Number: CMM 4 871 702  |  | WIC Account Number: 1200799809   |               | M             |   |  |
| Policy Period   | From 01/01/16<br>To 01/01/17   | at 12:01 A.M. Standard Time at your mailing address shown above.                                     |               |               |   |  |
| <p><b>This policy contains the following Inland Marine Coverage Forms:</b></p> <table style="width: 100%; border: none;"> <tr> <td style="width: 80%;"> <b>Coverage Forms</b><br/>           Accounts Receivable<br/>           Fine Arts Floater Coverage<br/>           Valuable Papers and Records<br/>           Contractors' Equipment Coverage<br/>           Computer Coverage         </td> <td style="width: 20%; text-align: right; vertical-align: bottom;"> <b>Premium</b><br/>           Included<br/>           Included<br/>           Included<br/>           \$ 3,370.00<br/>           \$ 1,232.00         </td> </tr> </table> |  |  |               |               | <b>Coverage Forms</b><br>Accounts Receivable<br>Fine Arts Floater Coverage<br>Valuable Papers and Records<br>Contractors' Equipment Coverage<br>Computer Coverage | <b>Premium</b><br>Included<br>Included<br>Included<br>\$ 3,370.00<br>\$ 1,232.00 |
| <b>Coverage Forms</b><br>Accounts Receivable<br>Fine Arts Floater Coverage<br>Valuable Papers and Records<br>Contractors' Equipment Coverage<br>Computer Coverage   | <b>Premium</b><br>Included<br>Included<br>Included<br>\$ 3,370.00<br>\$ 1,232.00 |  |               |               |   |  |
| <b>Total Advance Annual Inland Marine Premium \$ 4,602.00</b>   |  |  |               |               |   |  |
| <b>All Forms and Endorsements applicable to Inland Marine Coverages:</b>  |  |  |               |               |   |  |
| CM0204  | 0705*, CM0128  | 0399*, CM0001  | 0904*, CM7090 | 0300*, IL0953 |   |  |
| CM0105  | 0101*, CM7001  | 1110*, CM0066  | 0113*, IM7206 | 0112*, IM7201 |   |  |
| CL0700  | 1006*, IM2027  | 0809*, IM7234  | 0501*, IM7037 | 0112*, IM7005 |   |  |
| IM7000  | 0404*, IM7017  | 0604*, IM7039  | 0711*, CM7162 | 0611*, IM7400 |   |  |
| IM7405  | 0811*, IM7406  | 0811*, IM7417  | 0811*, IM7423 | 0413*, IM7420 |   |  |
| CM7000  | 0292*, CM0067  | 0113*, IM2101  | 0809*, IM7423 | 1213*,        |   |  |
|   |  |  |               | 0115*,        |   |  |
|   |  |  |               | 1002*,        |   |  |
|   |  |  |               | 0112*,        |   |  |
|   |  |  |               | 0811*,        |   |  |
|   |  |  |               | 0811*,        |   |  |

## COMMERCIAL INLAND MARINE

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

**ILLINOIS CHANGES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**

- A. Cancellation** (Common Policy Conditions) is replaced by the following:

**CANCELLATION**

1. The first Named Insured shown in the Declarations may cancel this policy by mailing to us advance written notice of cancellation.
2.
  - a. We may cancel this policy by mailing to you written notice stating the reason for cancellation.
  - b. If we cancel for nonpayment of premium, we will mail the notice at least 10 days prior to the effective date of cancellation.
  - c. If we cancel for a reason other than nonpayment of premium, we will mail the notice at least:
    - (1) 30 days prior to the effective date of cancellation if the policy has been in effect for less than 60 days.
    - (2) 60 days prior to the effective date of cancellation if the policy has been in effect for more than 60 days.
3. If this policy has been in effect for more than 60 days, we may cancel only for one or more of the following reasons:
  - a. Nonpayment of premium;
  - b. The policy was obtained through a material misrepresentation;
  - c. Any insured has violated any of the terms and conditions of the policy;
  - d. The risk originally accepted has measurably increased;
  - e. Certification to the Director of Insurance of the loss of reinsurance by the insurer that provided coverage to us for all or a substantial part of the underlying risk insured; or
  - f. A determination by the Director of Insurance that the continuation of the policy could place us in violation of the insurance laws of this State.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.

5. If this policy is cancelled we will send the first Named Insured any premium refund due. If we cancel, the refund will be pro rata. If the first Named Insured cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.

6. A copy of the notice will also be sent to your agent or broker.

- B. The following is added and supersedes any provision to the contrary:**

**NONRENEWAL**

If we decide not to renew or continue this policy, we will mail you and your agent or broker written notice, stating the reason for nonrenewal, at least 60 days before the end of the policy period. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.

If we fail to mail proper written notice of nonrenewal and you obtain other insurance, this policy will end on the effective date of that insurance.

- C. Mailing of Notices**

We will mail cancellation and nonrenewal notices to the last addresses known to us. Proof of mailing will be sufficient proof of notice.

- D. General Condition C. Legal Action Against Us in the Commercial Inland Marine Conditions is replaced by the following:**

**C. Legal Action Against Us**

No one may bring a legal action against us:

1. Until there has been full compliance with all the terms of this Coverage Part; and
2. More than 2 years after you first have knowledge of the direct loss or damage. But we will extend this 2 year period by the number of days between the date proof of loss is filed and the date the claim is denied in whole or in part.

## COMMERCIAL INLAND MARINE CONDITIONS

The following conditions apply in addition to the Common Policy Conditions and applicable Additional Conditions in Commercial Inland Marine Coverage Forms:

### LOSS CONDITIONS

#### A. Abandonment

There can be no abandonment of any property to us.

#### B. Appraisal

If we and you disagree on the value of the property or the amount of loss, either may make written demand for an appraisal of the loss. In this event, each party will select a competent and impartial appraiser. The two appraisers will select an umpire. If they cannot agree, either may request that selection be made by a judge of a court having jurisdiction. The appraisers will state separately the value of the property and amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two will be binding. Each party will:

1. Pay its chosen appraiser; and
2. Bear the other expenses of the appraisal and umpire equally.

If there is an appraisal, we will still retain our right to deny the claim.

#### C. Duties In The Event Of Loss

You must see that the following are done in the event of loss or damage to Covered Property:

1. Notify the police if a law may have been broken.
2. Give us prompt notice of the loss or damage. Include a description of the property involved.
3. As soon as possible, give us a description of how, when and where the loss or damage occurred.
4. Take all reasonable steps to protect the Covered Property from further damage, and keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance. However, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss. Also, if feasi-

ble, set the damaged property aside and in the best possible order for examination.

5. You will not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our consent.
6. As often as may be reasonably required, permit us to inspect the property proving the loss or damage and examine your books and records.

Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.

7. We may examine any insured under oath, while not in presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. In the event of an examination, an insured's answers must be signed.
8. Send us a signed, sworn proof of loss containing the information we request to settle the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
9. Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or suit.
10. Cooperate with us in the investigation or settlement of the claim.

#### D. Insurance Under Two Or More Coverages

If two or more of this policy's coverages apply to the same loss or damage, we will not pay more than the actual amount of the loss or damage.

#### E. Loss Payment

1. We will give notice of our intentions within 30 days after we receive the sworn proof of loss.
2. We will not pay you more than your financial interest in the Covered Property.



3. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claim against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
4. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
5. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss if you have complied with all the terms of this Coverage Part and:
  - a. We have reached agreement with you on the amount of the loss; or
  - b. An appraisal award has been made.
6. We will not be liable for any part of a loss that has been paid or made good by others.

#### **F. Other Insurance**

1. You may have other insurance subject to the same plan, terms, conditions and provisions as the insurance under this Coverage Part. If you do, we will pay our share of the covered loss or damage. Our share is the proportion that the applicable Limit of Insurance under this Coverage Part bears to the Limits of Insurance of all insurance covering on the same basis.
2. If there is other insurance covering the same loss or damage, other than that described in 1. above, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.

#### **G. Pair, Sets Or Parts**

##### **1. Pair or Set**

In case of loss or damage to any part of a pair or set we may:

- a. Repair or replace any part to restore the pair or set to its value before the loss or damage; or
- b. Pay the difference between the value of the pair or set before and after the loss or damage.

##### **2. Parts**

In case of loss or damage to any part of Covered Property consisting of several

parts when complete, we will only pay for the value of the lost or damaged part.

#### **H. Recovered Property**

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. You must then return to us the amount we paid to you for the property. We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

#### **I. Reinstatement Of Limit After Loss**

The Limit of Insurance will not be reduced by the payment of any claim, except for total loss or damage of a scheduled item, in which event we will refund the unearned premium on that item.

#### **J. Transfer Of Rights Of Recovery Against Others To Us**

If any person or organization to or for whom we make payment under this Coverage Part has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

1. Prior to a loss to your Covered Property.
2. After a loss to your Covered Property only if, at the time of loss, that party is one of the following:
  - a. Someone insured by this insurance; or
  - b. A business firm:
    - (1) Owned or controlled by you; or
    - (2) That owns or controls you.

This will not restrict your insurance.

#### **GENERAL CONDITIONS**

##### **A. Concealment, Misrepresentation Or Fraud**

This Coverage Part is void in any case of fraud, intentional concealment or misrepresentation of a material fact, by you or any other insured, at any time, concerning:

1. This Coverage Part;
2. The Covered Property;
3. Your interest in the Covered Property; or
4. A claim under this Coverage Part.

**B. Control Of Property**

Any act or neglect of any person other than you beyond your direction or control will not affect this insurance.

The breach of any condition of this Coverage Part at any one or more locations will not affect coverage at any location where, at the time of loss or damage, the breach of condition does not exist.

**C. Legal Action Against Us**

No one may bring a legal action against us under this Coverage Part unless:

1. There has been full compliance with all the terms of this Coverage Part; and
2. The action is brought within 2 years after you first have knowledge of the direct loss or damage.

**D. No Benefit To Bailee**

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

**E. Policy Period, Coverage Territory**

We cover loss or damage commencing:

1. During the policy period shown in the Declarations; and
2. Within the coverage territory.

**F. Valuation**

The value of property will be the least of the following amounts:

1. The actual cash value of that property;
2. The cost of reasonably restoring that property to its condition immediately before loss or damage; or
3. The cost of replacing that property with substantially identical property.

In the event of loss or damage, the value of property will be determined as of the time of loss or damage.

## COMMERCIAL INLAND MARINE

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.****WISCONSIN CHANGES**

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART****A. The following exclusion is added:**

1. We will not pay for loss or damage arising out of any act committed:
  - a. By or at the direction of any insured; and
  - b. With the intent to cause a loss.
2. However, this exclusion will not apply to deny coverage to an insured who did not cooperate in or contribute to the creation of the loss, provided the loss is otherwise covered under this Coverage Part and:
  - a. The loss arose out of an act or pattern of abuse or domestic abuse; and
  - b. The perpetrator of the loss is criminally prosecuted for the act or acts causing the loss.
3. If we pay a claim pursuant to Paragraph A.2., our payment to the innocent insured is limited to that insured's ownership interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

**B. General Condition A. Concealment, Misrepresentation Or Fraud in the Commercial Inland Marine Conditions is replaced by the following:****A. Concealment, Misrepresentation Or Fraud**

1. No misrepresentation and no breach of affirmative warranty made by you or on your behalf in the negotiation for or procurement of this Coverage Part affects our obligations unless, if a misrepresentation, the person knew or should have known that the representation was false, and unless:
  - a. We rely on the misrepresentation or affirmative warranty and the misrepresentation or affirmative warranty is either material or made with intent to deceive; or

- b. The facts misrepresented or falsely warranted contribute to the loss.

2. No failure of a condition before a loss and no breach of a promissory warranty affects our obligation under this Coverage Part unless such failure or breach exists at the time of loss and either:
  - a. Increases the risk at the time of loss; or
  - b. Contributes to the loss.

**C. General Condition C. Legal Action Against Us is replaced by the following:****C. Legal Action Against Us**

No one may bring legal action against us under this Coverage Part unless the action is brought within 2 years after you first have knowledge of the direct loss or damage.

**D. The following is added to Loss Condition J. Transfer Of Rights Of Recovery Against Others To Us in the Commercial Inland Marine Conditions:****J. Transfer Of Rights Of Recovery Against Others To Us**

If we pay an insured for a loss described in Paragraph A.2., the rights of the insured to recover damages from the perpetrator are transferred to us to the extent of our payment. Following the loss, the insured may not waive such rights to recover against the perpetrator.

We will be entitled to any recovery only after you have been fully compensated for damages.

**E. The following are added to the General Conditions in the Commercial Inland Marine Conditions:****1. Knowledge And Acts Of Agents**

- a. If any of our agents knows any fact that breaches a condition of this policy, we will be considered to know it also if that fact:

- (1) Is known to the agent at the time the policy is issued or an application made; or
- (2) Later becomes known to the agent in the course of his or her dealings as an agent with you.

b. Any fact that breaches a condition of this policy and is known to the agent before the loss will not:

- (1) Void this policy; or
- (2) Prevent a recovery in the event of loss.

**2. Bankruptcy**

If you or your estate go bankrupt or become insolvent, we will continue to fulfill our duties and obligations under this Coverage Part.

**3. Conformity To Statute Or Rule**

Any provision of this Coverage Part (including endorsements which modify the Coverage Part) that is in conflict with a Wisconsin statute or rule is hereby amended to conform to that statute or rule.

The term rule means a valid rule promulgated by the Commissioner of Insurance in accordance with the rule-making authority conferred under Wis. Stat. Ann. Section 227.11(2) and published in the Wisconsin Administrative Code.

COMMERCIAL INLAND MARINE

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**


**ILLINOIS CHANGES - INTENTIONAL ACTS**

This endorsement modifies insurance provided under the following:

**COMMERCIAL INLAND MARINE COVERAGE PART**

The following exclusion is added:

- A.** We will not pay for loss or damage arising out of any act committed:
  - 1.** By or at the direction of any insured; and
  - 2.** With the intent to cause a loss.
- B.** However, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the loss if:
  - 1.** The loss arose out of a pattern of criminal domestic violence; and
  - 2.** The perpetrator of the loss is criminally prosecuted for the act causing the loss.
- C.** If we pay a claim pursuant to Paragraph **B.**, our payment to the insured is limited to that insured's insurable interest in the property less any payments we first made to a mortgagee or other party with a legal secured interest in the property. In no event will we pay more than the Limit of Insurance.

|   |                |   |                 |                            |
|---|----------------|---|-----------------|----------------------------|
|  <b>WESTFIELD<br/>INSURANCE</b><br><small>Sharing Knowledge. Building Trust.®</small> |                | <b>COMMERCIAL INLAND MARINE<br/>RENEWAL DECLARATIONS<br/>ACCOUNTS RECEIVABLE COVERAGE</b>               |                 | <b>SR</b>                  |
| <b>COMPANY PROVIDING COVERAGE</b>   |                | <b>WESTFIELD INSURANCE COMPANY</b>  |                 |                            |
| <b>NAMED INSURED AND MAILING ADDRESS</b>  |                | <b>AGENCY</b>   | <b>12-01377</b> | <b>PROD. 000</b>           |
| BEAR CONSTRUCTION COMPANY<br>ALGONQUIN ASSOCIATES, LLC<br>1501 ROHLWING ROAD<br>ROLLING MEADOWS IL 60008  |                | ASSURANCE AGENCY LTD<br>1750 E GOLF RD 11TH FLR<br>SCHAUMBURG IL 60173-5835<br>TELEPHONE 847-797-5700   |                 |                            |
| <b>Policy Number: CHM 4 871 702</b>   |                | <b>WIC Account Number: 1200799809</b>   |                 | <b>M</b>                   |
| <b>Policy Period</b>  | <b>From To</b> | <b>01/01/16<br/>01/01/17</b><br><b>at 12:01 A.M. Standard Time at your mailing address shown above.</b> |                 |                            |
| <b>DESCRIPTION OF PREMISES</b>  |                | <b>Occupancy</b>  |                 |                            |
| <b>Loc Bldg Street Address, City &amp; State</b>  |                |   |                 |                            |
| <b>*Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for Coverages and Limits of Insurance.*</b>   |                |   |                 |                            |
| <b>COVERED PROPERTY AND LIMITS OF INSURANCE</b>   |                |   |                 |                            |
| <b>A. Coverage Applicable At Your Premises</b>  |                |   |                 |                            |
| <b>Loc Bldg Item</b>  |                |   |                 | <b>Limits of Insurance</b> |
|   |                |   |                 |                            |
| <b>B. Coverage Applicable Away From Your Premises</b>   |                |   |                 |                            |
|   |                |   |                 |                            |
| <b>* 80 % COINSURANCE APPLIES. REFER TO COVERAGE FORM.</b>  |                |   |                 |                            |
| <b>DESCRIPTION OF RECEIPTABLES</b>  |                |   |                 |                            |
| <b>Loc Bldg Item</b>  | <b>Class</b>   | <b>Label</b>  | <b>Issuer</b>   | <b>Manufacturer</b>        |
|   |                |   |                 |                            |
| <b>Total Advance Annual<br/>Accounts Receivable Premium</b>   |                |   |                 | <b>Included</b>            |
| <b>Forms and Endorsements applicable to this coverage:</b>  |                |   |                 |                            |



**ACCOUNTS RECEIVABLE COVERAGE FORM**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section E - Definitions.

**A. Coverage****1. We will pay:**

- a. All amounts due from your customers that you are unable to collect;
- b. Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
- c. Collection expenses in excess of your normal collection expenses that are made necessary by the loss or damage; and
- d. Other reasonable expenses that you incur to reestablish your records of accounts receivable;

that result from Covered Causes of Loss to your records of accounts receivable.

**2. Property Not Covered**

Coverage does not apply to:

- a. Records of accounts receivable in storage away from the "premises" shown in the Declarations; or
- b. Contraband, or property in the course of illegal transportation or trade.

**3. Covered Causes Of Loss**

Covered Causes of Loss means direct physical loss or damage to your records of accounts receivable except those causes of loss listed in the Exclusions.

**4. Additional Coverage - Collapse**

The coverage provided under this Additional Coverage - Collapse applies only to an abrupt collapse as described and limited in Paragraphs a. through c.

- a. For the purpose of this Additional Coverage - Collapse, abrupt col-

lapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

- b. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:

- (1) Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
- (2) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- (3) Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation;
- (4) Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:
  - (a) A cause of loss listed in Paragraph (1) or (2);
  - (b) One or more of the following causes of loss: fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; breakage of building glass; falling objects; weight of snow, ice or sleet; water damage; earthquake; all only as insured against in this Coverage Form;

(c) Weight of people or personal property; or

(d) Weight of rain that collects on a roof;

c. This Additional Coverage - Collapse will not increase the Limits of Insurance provided in this Coverage Form.

## 5. Coverage Extension

### REMOVAL

If you give us written notice within 10 days of removal of your records of accounts receivable because of imminent danger of loss or damage, we will pay for loss or damage while they are:

- a. At a safe place away from your "premises"; or
- b. Being taken to and returned from that place.

This Coverage Extension is included within the Limit of Insurance applicable to the "premises" from which the records of accounts receivable are removed.

## B. Exclusions

- 1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

### a. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

### b. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this Coverage Form.

### c. War And Military Action

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in

hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

Exclusions B.1.a. through B.1.c. apply whether or not the loss event results in widespread damage or affects a substantial area.

- 2. We will not pay for a loss or damage caused by or resulting from any of the following:

- a. Delay, loss of use, loss of market or any other consequential loss.

- b. Dishonest or criminal act (including theft) committed by:

- (1) You, any of your partners, employees (including temporary employees and leased workers), officers, directors, trustees, or authorized representatives;

- (2) A manager or a member if you are a limited liability company; or

- (3) Anyone else with an interest in the property, or their employees (including temporary employees and leased workers) or authorized representatives;

whether acting alone or in collusion with each other or with any other party.

This exclusion applies whether or not an act occurs during your normal hours of operation.

This exclusion does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.

- c. Alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of money, securities or other property.

This exclusion applies only to the extent of the wrongful giving, taking or withholding.

- d. Bookkeeping, accounting or billing errors or omissions.
- e. Electrical or magnetic injury, disturbance or erasure of electronic recordings that is caused by or results from:
  - (1) Programming errors or faulty machine instructions;
  - (2) Faulty installation or maintenance of data processing equipment or component parts;
  - (3) An occurrence that took place more than 100 feet from your "premises"; or
  - (4) Interruption of electrical power supply, power surge, blackout or brownout if the cause of such occurrence took place more than 100 feet from your "premises".

But we will pay for direct loss or damage caused by lightning.

- f. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.
  - g. Unauthorized instructions to transfer property to any person or to any place.
  - h. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.
  - i. Theft by any person (except carriers for hire) to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.
- This exclusion applies whether or not an act occurs during your normal hours of operation.
- 3. We will not pay for loss or damage that requires any audit of records or any inventory computation to prove its factual existence.
  - 4. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.

- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a

cause or event excluded in Paragraph 1. above to produce the loss or damage.

- b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.
  - c. Faulty, inadequate or defective:
    - (1) Planning, zoning, development, surveying, siting;
    - (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;
    - (3) Materials used in repair, construction, renovation or remodeling; or
    - (4) Maintenance;
- of part or all of any property wherever located.
- d. Collapse, including any of the following conditions of property or any part of the property:
    - (1) An abrupt falling down or caving in;
    - (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
    - (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinking or expansion as such condition relates to Paragraph (1) or (2).

This Exclusion d. does not apply to the extent that coverage is provided under the Additional Coverage - Collapse or to collapse caused by one or more of the following: fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; breakage of building glass; falling objects; weight of snow, ice or sleet; water damage; earthquake; weight of people or personal property; weight of rain that collects on a roof.

#### C. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable Limit Of Insurance shown in the Declarations.

**D. Additional Conditions****1. Determination Of Receivables**

General Condition F. **Valuation** in the Commercial Inland Marine Conditions is replaced by the following:

- a. If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss or damage, the following method will be used:

- (1) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurs; and
- (2) Adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.

- b. The following will be deducted from the total amount of accounts receivable, however that amount is established:

- (1) The amount of the accounts for which there is no loss or damage;
- (2) The amount of the accounts that you are able to reestablish or collect;
- (3) An amount to allow for probable bad debts that you are normally unable to collect; and
- (4) All unearned interest and service charges.

**2. Recoveries**

The following is added to Loss Condition **H. Recovered Property** in the Commercial Inland Marine Conditions:

You will pay us the amount of all recoveries you receive for a loss or damage paid by us. But any recoveries in excess of the amount we have paid belong to you.

3. The following conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

**a. Coverage Territory**

We cover records of accounts receivable:

- (1) Within your "premises"; and
- (2) Away from your "premises" while in transit or within prem-

ises of others if those premises are located or the transit is within:

- (a) The United States of America (including its territories and possessions);
- (b) Puerto Rico; and
- (c) Canada.

**b. Coinsurance**

If a Coinsurance percentage is shown in the Declarations, the following condition applies.

We will not pay the full amount of any loss if the value of all accounts receivable, except those in transit, at the time of loss times the Coinsurance percentage shown for it in the Declarations is greater than the Limit of Insurance for Coverage Applicable at All Locations.

Instead, we will determine the most we will pay using the following steps:

- (1) Multiply the value of all accounts receivable, except those in transit, at the time of loss by the Coinsurance percentage;
- (2) Divide the Limit of Insurance for Coverage Applicable At All Locations by the figure determined in Step (1); and
- (3) Multiply the total amount of loss by the figure determined in Step (2).

We will pay the amount determined in Step (3) or the Limit of Insurance, whichever is less. For the remainder, you will either have to rely on other insurance or absorb the loss yourself.

This condition will not apply to records of accounts receivable in transit, interest charges, excess collection expenses or expenses to reestablish your records of accounts receivable.

**c. Protection Of Records**

Whenever you are not open for business, and except while you are actually using the records, you must keep all records of accounts receivable in receptacles that are described in the Declarations.

**E. Definitions**

"Premises" means that interior portion of the building at the address shown in the Declarations that you occupy for your business.



**WESTFIELD  
INSURANCE**

Sharing Knowledge. Building Trust.®

**COMMERCIAL INLAND MARINE  
RENEWAL DECLARATIONS  
VALUABLE PAPERS AND RECORDS COVERAGE**

**SR**

**COMPANY PROVIDING COVERAGE**

**WESTFIELD INSURANCE COMPANY**

**NAMED INSURED AND MAILING ADDRESS**

**AGENCY**

12-01377

**PROD.**

000

BEAR CONSTRUCTION COMPANY  
ALGONQUIN ASSOCIATES, LLC  
1501 ROHLWING ROAD  
ROLLING MEADOWS IL 60008

ASSURANCE AGENCY LTD  
1750 E GOLF RD 11TH FLR  
SCHAUMBURG IL 60173-5835  
TELEPHONE 847-797-5700

**Policy Number: CMM 4 871 702**

11

**WIC Account Number: 1200799809**

M

**Policy  
Period**

**From  
To**

01/01/16  
01/01/17

**at 12:01 A.M. Standard Time at your  
mailing address shown above.**

**COVERED PROPERTY AND LIMITS OF INSURANCE**

Specifically Described Property  
**Loc Bldg Item Description**

**Limit of Insurance**

**\*Refer to Commercial Property Expanded and/or Signature Series Schedule(s) for  
Coverages and Limits of Insurance.\***

All Other Covered Property  
**Loc Bldg Item**

**Limit of Insurance**

Property Away From Your Premises  
**Item**

**Limit of Insurance**

**Loc Bldg Item Class Label DESCRIPTION OF RECEPTACLES  
Issuer Manufacturer**

**Total Advance Annual  
Valuable Papers and Records Premium**

**Included**

**Forms and Endorsements applicable to this coverage:**  
CM7000 0292\*, CM0067 0113\*.

**VALUABLE PAPERS AND RECORDS COVERAGE FORM**

Various provisions in this policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy, the words "you" and "your" refer to the Named Insured shown in the Declarations. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section F - Definitions.

**A. Coverage**

We will pay for direct physical loss of or damage to Covered Property from any of the Covered Causes of Loss.

1. Covered Property, as used in this Coverage Form, means "valuable papers and records" that are your property or property of others in your care, custody or control.

**2. Property Not Covered**

Covered Property does not include:

- a. Property not specifically declared and described in the Declarations if such property cannot be replaced with other property of like kind and quality;
- b. Property held as samples or for delivery after sale;
- c. Property in storage away from the "premises" shown in the Declarations; or
- d. Contraband, or property in the course of illegal transportation or trade.

**3. Covered Causes Of Loss**

Covered Causes of Loss means direct physical loss or damage to Covered Property except those causes of loss listed in the Exclusions.

**4. Additional Coverage - Collapse**

The coverage provided under this Additional Coverage - Collapse applies only to an abrupt collapse as described and limited in Paragraphs a. through c.

- a. For the purpose of this Additional Coverage - Collapse, abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.

- b. We will pay for direct physical loss or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that contains Covered Property insured under this Coverage Form, if such collapse is caused by one or more of the following:

- (1) Building decay that is hidden from view, unless the presence of such decay is known to an insured prior to collapse;
- (2) Insect or vermin damage that is hidden from view, unless the presence of such damage is known to an insured prior to collapse;
- (3) Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation;
- (4) Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:
  - (a) A cause of loss listed in Paragraph (1) or (2);
  - (b) One or more of the following causes of loss: fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; breakage of building glass; falling objects; weight of snow, ice or sleet; water damage; earthquake; all only as insured against in this Coverage Form;
  - (c) Weight of people or personal property; or
  - (d) Weight of rain that collects on a roof;

- c. This Additional Coverage - Collapse will not increase the Limits of Insurance provided in this Coverage Form.



**5. Coverage Extensions****a. Removal**

If you give us written notice within 10 days of removal of your "valuable papers and records" because of imminent danger of loss or damage, we will pay for loss or damage while it is:

- (1) At a safe place away from your "premises"; or
- (2) Being taken to and returned from that place.

This Coverage Extension is included within the Limits of Insurance applicable to the "premises" from which the Covered Property is removed.

**b. Away From Your Premises**

We will pay up to \$5,000 for loss or damage to Covered Property while it is away from your "premises".

But if a higher Limit Of Insurance is specified in the Declarations, the higher limit will apply.

The limit for this Coverage Extension is additional insurance.

**B. Exclusions**

1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

**a. Governmental Action**

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread if the fire would be covered under this Coverage Form.

**b. Nuclear Hazard**

Nuclear reaction or radiation, or radioactive contamination, however caused.

But if nuclear reaction or radiation, or radioactive contamination results in fire, we will pay for the direct loss or damage caused by that fire if the fire would be covered under this Coverage Form.

**c. War And Military Action**

- (1) War, including undeclared or civil war;

- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or

- (3) Insurrection, rebellion, revolution, usurped power or action taken by governmental authority in hindering or defending against any of these.

Exclusions B.1.a. through B.1.c. apply whether or not the loss event results in widespread damage or affects a substantial area.

2. We will not pay for loss or damage caused by or resulting from any of the following:

- a. Delay, loss of use, loss of market or any other consequential loss.

- b. Dishonest or criminal act (including theft) committed by:

- (1) You, any of your partners, employees (including temporary employees and leased workers), officers, directors, trustees, or authorized representatives;

- (2) A manager or a member if you are a limited liability company; or

- (3) Anyone else with an interest in the property, or their employees (including temporary employees and leased workers) or authorized representatives;

whether acting alone or in collusion with each other or with any other party.

This exclusion applies whether or not an act occurs during your normal hours of operation.

This exclusion does not apply to acts of destruction by your employees (including temporary employees and leased workers) or authorized representatives; but theft by your employees (including temporary employees and leased workers) or authorized representatives is not covered.

- c. Errors or omissions in processing or copying.

But if errors or omissions in processing or copying result in fire or explosion, we will pay for the direct loss or damage caused by that fire or explosion if fire or explosion would be covered under this Coverage Form.



- d. Electrical or magnetic injury, disturbance or erasure of electronic recordings.

But we will pay for direct loss or damage caused by lightning.

- e. Voluntary parting with any property by you or anyone entrusted with the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

- f. Unauthorized instructions to transfer property to any person or to any place.

- g. Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.

- h. Theft by any person (except carriers for hire) to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion applies whether or not an act occurs during your normal hours of operation.

3. We will not pay for loss or damage caused by or resulting from any of the following. But if loss or damage by a Covered Cause of Loss results, we will pay for the loss or damage caused by that Covered Cause of Loss.

- a. Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in Paragraph 1. above to produce the loss or damage.

- b. Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

- c. Faulty, inadequate or defective:

- (1) Planning, zoning, development, surveying, siting;

- (2) Design, specifications, workmanship, repair, construction, renovation, remodeling, grading, compaction;

- (3) Materials used in repair, construction, renovation or remodeling; or

- (4) Maintenance;

of part or all of any property wherever located.

- d. Collapse, including any of the following conditions of property or any part of the property:

- (1) An abrupt falling down or caving in;

- (2) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or

- (3) Any cracking, bulging, sagging, bending, leaning, settling, shrinking or expansion as such condition relates to Paragraph (1) or (2).

This Exclusion d. does not apply to the extent that coverage is provided under the Additional Coverage - Collapse or to collapse caused by one or more of the following: fire; lightning; windstorm; hail; explosion; smoke; aircraft; vehicles; riot; civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; breakage of building glass; falling objects; weight of snow, ice or sleet; water damage; earthquake; weight of people or personal property; weight of rain that collects on a roof.

- e. Wear and tear, any quality in the property that causes it to damage or destroy itself, gradual deterioration; insects, vermin or rodents.

#### C. Limits Of Insurance

The most we will pay for loss or damage in any one occurrence is the applicable Limit Of Insurance shown in the Declarations.

#### D. Deductible

We will not pay for loss or damage in any one occurrence until the amount of the adjusted loss or damage before applying the applicable Limits of Insurance exceeds the Deductible shown in the Declarations. We will then pay the amount of the adjusted loss or damage in excess of the Deductible, up to the applicable Limit of Insurance.

#### E. Additional Conditions

##### 1. Valuation - Specifically Declared Items

The following is added to General Condition F. **Valuation** in the Commercial Inland Marine Conditions:

The value of each item of property that is specifically declared and described in the Declarations is the applicable Limit Of Insurance shown in the Declarations for that item.

##### 2. Recoveries

The following is added to Loss Condition H. **Recovered Property** in the Commercial Inland Marine Conditions:

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, the property will be returned to you. If so, your loss or damage will be readjusted based on the amount you received for the property recovered, with allowance for recovery expenses incurred.

3. The following conditions apply in addition to the Commercial Inland Marine Conditions and the Common Policy Conditions:

**a. Coverage Territory**

We cover property:

- (1) Within your "premises"; and
- (2) Away from your "premises" while in transit or within premises of others if those premises are located or the transit is within:
  - (a) The United States of America (including its territories and possessions);
  - (b) Puerto Rico; and
  - (c) Canada.

**b. Protection Of Records**

Whenever you are not open for business, and except while you are actually using the property, you must keep all "valuable papers and records" in receptacles that are described in the Declarations.

**F. Definitions**

1. "Valuable papers and records" means inscribed, printed or written documents, manuscripts or records, including abstracts, books, deeds, drawings, films, maps or mortgages.

But "valuable papers and records" does not mean "money" or "securities", converted data, programs or instructions used in your data processing operations, including the materials on which the data is recorded.

2. "Premises" means that interior portion of the building at the address shown in the Declarations that you occupy for your business.

3. "Money" means:

- a. Currency, coins and bank notes whether or not in current use; and
- b. Travelers checks, register checks and money orders held for sale to the public.

4. "Securities" means negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:

- a. Tokens, tickets, revenue and other stamps whether or not in current use; and
- b. Evidences of debt issued in connection with credit or charge cards, which cards are not of your own issue;

but does not include "money".

POLICY NUMBER: CMM 4871702

POLICY PERIOD: FROM 01/01/2016 TO 01/01/2017

**COMPUTER COVERAGE  
SCHEDULE OF COVERAGES**(The entries required to complete this schedule  
will be shown below or on the "schedule of coverages".)**DESCRIBED PREMISES**

| Loc.<br>No. | LOCATIONS   |
|-------------|---|
| 001         | 1501 ROHLWING ROAD<br>ROLLING MEADOWS, IL 60008   |
| 002         | 222 W MERCHANDISE MART PLAZA<br>CHICAGO, IL 60654 |
| 003         | 1 N LASALLE ST<br>CHICAGO, IL 60601               |
| 004         | 411 E WISCONSIN AVE #500<br>MILWAUKEE, WI 53202   |

Check if applicable:

{ } Attach Additional Locations Schedule to schedule more locations

**LOCATION LIMITS**

| Loc<br>No. | "Hardware" | "Programs and Applications"<br>and<br>"Media" | Income Coverage |
|------------|------------|---|-----------------|
| 001        | \$ 200,000 | N/A   | \$ 25,000       |
| 002        | \$ 15,000  | N/A   | \$ 25,000       |
| 003        | \$ 60,000  | N/A   | \$ 25,000       |
| 004        | \$ 25,000  | N/A   | \$ 25,000       |

**Income Coverage Options (check one)**

- { } Earnings and Extra Expense
- {X} Extra Expense only
- { } Income Coverage Not Provided

**COVERAGE EXTENSIONS****"Limits"**

|   |                   |
|---|-------------------|
| Additional Debris Removal Expenses      | \$ 5,000          |
| Emergency Removal                       | 365 days          |
| Emergency Removal Expenses              | \$ 1,000          |
| Electrical and Power Supply Disturbance | Coverage Provided |
| - 500 Feet Limitation (check one)       |                   |

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☒ Not Waived☐ Waived

Fraud and Deceit

\$ 1,000

Mechanical Breakdown Coverage

Coverage Provided

**SUPPLEMENTAL COVERAGES**

Acquired Locations

\$ 250,000

Earthquake Coverage (check one)

-☒ Coverage Provided-☐ Coverage Not Provided-☐ Refer To Earthquake, Flood and  
Sewer Backup Endorsement

Flood Coverage (check one)

-☒ Coverage Provided-☐ Coverage Not Provided-☐ Refer To Earthquake, Flood and  
Sewer Backup Endorsement

Newly Purchased or Leased Hardware

\$ 250,000

Off-Site Computers

\$ 2,500

Pollutant Cleanup and Removal

\$ 10,000

Property In Transit

\$ 5,000

Proprietary Programs and Data Records

\$ 5,000

Rewards

\$ 1,000

Sewer Backup (check one)

-☒ Coverage Provided-☐ Coverage Not Provided-☐ Refer To Earthquake, Flood and  
Sewer Backup Endorsement

Software Storage

\$ 25,000

Virus and Hacking Coverage

- Limit Any One Occurrence

\$ 5,000

- Limit Each Separate 12 month Period

\$ 10,000

**INCOME COVERAGE EXTENSIONS**

Interruption by Civil Authority

30 days

Period of Loss Extension

30 days

**SUPPLEMENTAL INCOME COVERAGES**

Acquired Locations

\$ 25,000

Earthquake Coverage (check one)

-☒ Coverage Provided-☐ Coverage Not Provided

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**SUPPLEMENTAL INCOME COVERAGES (cont.)****"Limits"**

- { } Refer To Earthquake, Flood and

**Sewer Backup Endorsement****Flood Coverage (check one)**

- {X} Coverage Provided

- { } Coverage Not Provided

- { } Refer To Earthquake, Flood and

**Sewer Backup Endorsement****Off Premises Utility Service Interruption**

- Limit \$ 10,000

- {X} Overhead Transmission Lines Excluded  
(check if applicable)

- Waiting Period 24 hours

**Property In Transit** \$ 5,000**Sewer Backup (check one)**

- {X} Coverage Provided

- { } Coverage Not Provided

- { } Refer To Earthquake, Flood and

**Sewer Backup Endorsement****Virus and Hacking Coverage**

- Limit Any One Occurrence \$ 5,000

- Limit Each Separate 12 month Period \$ 15,000

- Waiting Period 24 hours

**DEDUCTIBLE****Deductible Amount**

For all covered perils unless a

different deductible is indicated below \$ 2,500

Earthquake and Volcanic Eruption \$ 2,500

"Flood" \$ 2,500

**"Mechanical Breakdown", "Electrical****Disturbance", and "Power Supply Disturbance"** \$ 2,500**COINSURANCE****"Hardware", "Media", and "Programs and Applications"**

{ } Not Applicable

{X} 100%{ } 90%{X} 80%{ } Other %{ }

**Income Coverage**

{X} Not Applicable

{ } 100%{ } 90%{ } 80%{ } Other %{ }

**COVERAGE OPTION****Valuation (check one)**

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☐ Actual Cash Value Applies

☒ Replacement Cost

Income Coverage Waiting Period (check one)

☐ Not Applicable

☒ Waiting Period

24 hours

**ADDITIONAL INFORMATION**

IM7206 0112\*, IM7201 1002\*, CL0700 1006\*, IM2027 0809\*, IM7234 0501\*,  
IM2101 0809\*.



## COMPUTER COVERAGE

### AGREEMENT

In return for "your" payment of the required premium, "we" provide the coverage described herein subject to all the "terms" of the Computer Coverage. This coverage is also subject to the "schedule of coverages" and additional policy conditions relating to assignment or transfer of rights or duties, cancellation, changes or modifications, inspections, and examination of books and records.

Endorsements and schedules may also apply. They are identified on the "schedule of coverages".

Refer to Definitions for words and phrases that have special meaning. These words and phrases are shown in quotation marks or bold type.

### DEFINITIONS

1. The words "you" and "your" mean the persons or organizations named as the insured on the "schedule of coverages".
2. The words "we", "us", and "our" mean the company providing this coverage.
3. "Business" means the usual business operations occurring at a premises described on the "schedule of coverages".
4. "Computer hacking" means an unauthorized intrusion:
  - a. by an individual or group of individuals, whether employed by "you" or not, into "hardware", "software", or a computer network; and
  - b. that results in but is not limited to:
    - (1) deletion, destruction, generation, or modification of "software";
    - (2) alteration, contamination, corruption, degradation, or destruction of the integrity, quality, or performance of "software";
    - (3) observation, scanning, or copying of "data records", "programs and applications", and "proprietary programs";
    - (4) damage, destruction, inadequacy, malfunction, degradation, or corruption of any "hardware" or "media" used with "hardware"; or
    - (5) denial of access to or denial of services from "your" "hardware" or "your" computer network.
5. "Computer virus" means the introduction of any malicious, self-replicating electronic data processing code or other code:
  - a. into "hardware" or "software"; and
  - b. that is intended to result in, but is not limited to:
    - (1) deletion, destruction, generation, or modification of "software";
    - (2) alteration, contamination, corruption, degradation, or destruction of the integrity, quality, or performance of "software";
    - (3) damage, destruction, inadequacy, malfunction, degradation, or corruption of any "hardware" or "media" used with "hardware"; or
    - (4) denial of access to or denial of services from "your" "hardware" or "your" computer network.
6. "Data records" means files, documents, and information in an electronic format and that are stored on "media".
7. "Electrical disturbance" means electrical or magnetic damage, disturbance of electronic recordings, or erasure of electronic recordings.
8. "Flood" means flood, surface water, waves, tidal water, or the overflow of a body of water, all whether driven by wind or not. This includes spray that results from these whether driven by wind or not.
9. "Hardware" means a network of electronic machine components (microprocessors) capable of accepting instructions and information, processing the information according to the instructions, and producing desired results.
  - a. **Hardware Includes** - "Hardware" includes but is not limited to:
    - (1) mainframe and mid-range computers and network servers;
    - (2) personal computers and workstations;
    - (3) laptops, palmtops, notebook PCs, other portable computer devices and accessories including, but not limited to, multimedia projectors; and
    - (4) peripheral data processing equipment, including but not limited to, printers, keyboards, monitors, and modems.

- b. Hardware Does Not Include** - "Hardware" does not include:
- (1) "software"; and
  - (2) "off-site server" and "on-site server".
10. "Limit" means the amount of coverage that applies.
11. "Mechanical breakdown" means the malfunction or failure of moving or electronic parts, component failure, faulty installation, or blowout.
12. "Media" means processing, recording, or storage media used with "hardware". This includes but is not limited to films, tapes, cards, discs, drums, cartridges, or cells.
13. "Off-site server" means a server for "your" Web site:
- a. that is not at a premises described on the "schedule of coverages"; and
  - b. that is being maintained and/or operated by an independent contractor acting as "your" Web host or "your" Internet service provider that is acting as "your" Web host.
14. "On-site server" means a server for "your" Web site:
- a. that is at a premises occupied by "you" and described on the "schedule of coverages"; and
  - b. that is being maintained and/or operated by "you" or an independent contractor acting as "your" Web site consultant.
15. "Pollutant" means:
- a. any solid, liquid, gaseous, thermal, or radioactive irritant or contaminant, including but not limited to acids, alkalis, chemicals, fumes, smoke, soot, vapor, and waste. Waste includes materials to be recycled, reclaimed, or reconditioned, as well as disposed of; and
  - b. electrical or magnetic emissions, whether visible or invisible, and sound emissions.
16. "Power supply disturbance" means interruption of power supply, power surge, blackout, or brownout.
17. "Programs and applications" means operating programs and applications that "you" purchase and that are:
- a. stored on "media"; or
  - b. pre-installed and stored in "hardware".
18. "Proprietary programs" means proprietary applications or programs that are developed in-house or that "you" had developed specifically for "you" and that are:
- a. stored on "media"; or
  - b. installed and stored in "hardware".
19. "Restoration period" means:
- a. the time it should reasonably take to resume "your" "business" to a similar level of service starting from the date of a physical loss of or damage to covered property at a premises described on the "schedule of coverages" that is caused by a covered peril and ending on the date:
    - (1) the property should be rebuilt, repaired, or replaced; or
    - (2) "business" is resumed at a new permanent location.

This is not limited by the expiration date of the policy.
  - b. The "restoration period" also means the increased time required to comply with the enforcement of any ordinance, law, or decree that:
    - (1) regulates the construction, use, or repair of any property; or
    - (2) requires the demolition of any property, in part or in whole, not damaged by a covered peril.

The ordinance, law, or decree must be in force at the time of loss.

"Restoration period" does not mean the increased time required to comply with the enforcement of any ordinance, law, or decree that requires "you" or anyone else to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize or in any way respond to or assess the effects of "pollutants".
  - c. Only as regards coverage described under Off Premises Utility Service Interruption; Interruption of Web Site (if added to this coverage part by endorsement); and Property In Transit in the Supplemental Income Coverages, "restoration period" also means the time it should reasonably take to resume "your" "business" starting from the date of direct physical loss of or damage caused by a covered peril to:
    - (1) property not located at a premises described on the "schedule of coverages" and that is owned by a utility, a landlord, or another utility supplier;
    - (2) "your" Web site operation that is being maintained or operated by and that is located at the premises of an independent contractor or Internet service provider; and

**(3) property in transit;**

and ending on the date the property should be rebuilt, repaired, or replaced. This is not limited by the expiration date of the policy.

**20. "Schedule of coverages" means:**

- a. all pages labeled schedule of coverages or schedules which pertain to this coverage; and
- b. declarations or supplemental declarations which pertain to this coverage.

**21. "Sinkhole collapse" means the sudden settlement or collapse of earth supporting the covered property into subterranean voids created by the action of water on a limestone or similar rock formation.**

Sinkhole collapse does not include the value of the land or the cost of filling sinkholes.

**22. "Software" means "media", "data records", "programs and applications", and "proprietary programs".**

Software does not mean "Web site software".

**23. "Specified perils" means aircraft; civil commotion; explosion; falling objects; fire; hail; leakage from fire extinguishing equipment; lightning; riot; "sinkhole collapse"; smoke; sonic boom; vandalism; vehicles; "volcanic action"; water damage; weight of ice, snow, or sleet; and windstorm.**

Falling objects does not include loss to:

- a. personal property in the open; or
- b. to the interior of buildings or structures or to personal property inside buildings or structures unless the exterior of the roofs or walls are first damaged by a falling object.

Water damage means the sudden or accidental discharge or leakage of water or steam as a direct result of breaking or cracking of a part of the system or appliance containing the water or steam.

**24. "Terms" means all provisions, limitations, exclusions, conditions, and definitions that apply.****25. "Volcanic action" means airborne volcanic blast or airborne shock waves; ash, dust, or particulate matter; or lava flow.**

Volcanic action does not include the cost to remove ash, dust, or particulate matter that does not cause direct physical loss to the covered property.

**26. "Web site server" means "on-site server" and "off-site server".****27. "Web site software" means the following software that are used in "your" "Web site server":**

- a. "media";
- b. "data records";
- c. programs and applications which means operating programs and applications that "you" purchase and that are stored on "media" or pre-installed and stored in "Web site servers"; and
- d. proprietary programs which means proprietary applications or programs that are developed in-house or that "you" had developed specifically for "you" and that are stored on "media" or installed and stored in "Web site servers".

**PROPERTY COVERED**

"We" cover the following property unless the property is excluded or subject to limitations.

**1. Hardware**

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to "hardware" and similar property of others that is in "your" care, custody, or control.
- b. **Coverage Limitations** - "We" only cover "hardware" and similar property of others:
  - (1) when a "limit" for "hardware" is indicated on the "schedule of coverages"; and
  - (2) while at a premises described on the "schedule of coverages".

**2. Software**

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to:
  - (1) "media";
  - (2) "programs and applications"; and
 similar property of others that is in "your" care, custody, or control.
- b. **Coverage Limitations** - "We" only cover "media", "programs and applications", and similar property of others:
  - (1) when a "limit" for "media" and "programs and applications" is indicated on the "schedule of coverages"; and
  - (2) while at a premises described on the "schedule of coverages".
- c. **We Do Not Cover** - Except as provided under Supplemental Coverages, "we" do not cover:
  - (1) "data records"; and
  - (2) "proprietary programs".

**INCOME COVERAGE**

"We" provide the following coverage unless the coverage is excluded or subject to limitations.

1. **Coverage Options** - One of the following described coverage options applies when that option is indicated on the "schedule of coverages":
  - a. Earnings and Extra Expense; or
  - b. Extra Expense only.
2. **Coverage**
  - a. **Covered Property** - "We" provide the coverages described below during the "restoration period" when "your" "business" is necessarily wholly or partially interrupted by direct physical loss of or damage to covered property at a premises described on the "schedule of coverages" as a result of a covered peril.
    - (1) a premises described on the "schedule of coverages" that prevents "you" from using covered property; or
    - (2) the air conditioning or electrical systems which are necessary for the operation of covered property and results in a reduction or suspension of "your" "business".
  - b. **Described Premises and Air Conditioning System** - "We" provide the coverages described below under 3. and 4. during the "restoration period" when "your" "business" is necessarily wholly or partially interrupted as a result of direct physical loss of or damage to:
    - (1) a premises described on the "schedule of coverages" that prevents "you" from using covered property; or
    - (2) the air conditioning or electrical systems which are necessary for the operation of covered property and results in a reduction or suspension of "your" "business".
  - c. **If You Lease Your Premises** - If "you" lease, rent, or do not own the premises "you" occupy, for the purposes of determining an Income Coverage loss, "your" location is the space that "you" lease, rent, or occupy including, but not limited to, all passageways to "your" location within the building.
3. **Earnings** - "We" cover "your" actual loss of net income (net profit or loss before income taxes) that would have been earned or incurred and continuing operating expenses normally incurred by "your" "business", including but not limited to payroll expense.
4. **Extra Expense** - "We" cover only the extra expenses that are necessary during the "restoration period" that "you" would not have incurred if there had been no direct physical loss or damage to property caused by or resulting from a covered peril.
  - a. **Expenses To Reduce Interruption** - "We" cover any extra expense to avoid or reduce the interruption of "your" data

processing operations and continue operating at a premises described on the "schedule of coverages", replacement location, or a temporary location. This includes expenses to relocate and costs to outfit and operate a replacement or temporary location.

"We" will also cover any extra expense to reduce the interruption of "business" if it is not possible for "you" to continue operating during the "restoration period".

- b. **Expenses To Repair/Restore Property and Information** - To the extent that they reduce a loss otherwise payable under this coverage, "we" will cover any extra expenses to:
  - (1) repair, replace, or restore any property; and
  - (2) research, replace, or restore information on damaged documents, manuscripts, or records that:
    - (a) are inscribed, printed, or written; or
    - (b) exist on electronic or magnetic media.

**PROPERTY NOT COVERED**

1. **Accounts, Bills, or Documents** - "We" do not cover accounts, bills, evidences of debt, records, abstracts, deeds, manuscripts, program documentation, or other documents except those that are in "software" form and then only in that form.
2. **Checked Luggage** - "We" do not cover loss resulting from theft or disappearance of a laptop, palmtop, notebook PC, or any portable computer while in transit as checked luggage.
3. **Contraband** - "We" do not cover contraband or property in the course of illegal transportation or trade.
4. **Loaned, Leased, or Rented To Others** - "We" do not cover property that "you" loan, lease, or rent to others.
5. **Money and Securities** - "We" do not cover currency, food stamps, lottery tickets not held for sale, money, notes, or securities.
6. **Stock in Trade** - "We" do not cover property that is "your" stock in trade.
7. **Web Site Servers** - "We" do not cover "Web site servers" including "Web site software".

**COVERAGE EXTENSIONS**

**Provisions That Apply To Coverage Extensions** - The following Coverage Extensions indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Coverage Extension, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, the coverages provided below are part of and not in addition to the applicable "limit" for coverage described under Property Covered.

The "limit" provided under a Coverage Extension cannot be combined or added to the "limit" for any other Coverage Extension or Supplemental Coverage including a Coverage Extension or Supplemental Coverage that is added to this policy by endorsement.

The following coverage extensions are not subject to and not considered in applying coinsurance conditions.

### 1. Debris Removal

- a. **Coverage** - "We" pay the cost to remove debris of covered property that is caused by a covered peril.
- b. **We Do Not Cover** - This coverage does not include costs to:
  - (1) extract "pollutants" from land or water; or
  - (2) remove, restore, or replace polluted land or water.
- c. **Limit** - "We" do not pay any more under this coverage than 25% of the amount "we" pay for the direct physical loss. "We" will not pay more for loss to property and debris removal combined than the "limit" for the damaged property.
- d. **Additional Limit** - "We" pay up to an additional \$5,000 for debris removal expense when the debris removal expense exceeds 25% of the amount "we" pay for direct physical loss or when the loss to property and debris removal combined exceeds the "limit" for the damaged property.
- e. **You Must Report Your Expenses** - "We" do not pay any expenses unless they are reported to "us" in writing within 180 days from the date of direct physical loss to covered property.

### 2. Electrical and Power Supply Disturbance

- a. **Coverage** - "We" cover direct physical loss to covered property caused by:
  - (1) "electrical disturbance"; or
  - (2) "power supply disturbance".

- b. **Coverage Limitation** - "We" only cover loss caused by "electrical disturbance" and "power supply disturbance" if the cause of such disturbance took place within 500 feet of the premises where the loss occurred.

However, if the "schedule of coverages" indicates that there is no limitation, then the 500 feet limitation described above does not apply to this Coverage Extension.

### 3. Emergency Removal

- a. **Coverage** - "We" pay for any direct physical loss to covered property while it is being moved or being stored to prevent a loss caused by a covered peril.
- b. **Time Limitation** - This coverage applies for up to 365 days after the property is first moved. Also, this coverage does not extend past the date on which this policy expires.

### 4. Emergency Removal Expenses

- a. **Coverage** - "We" pay for "your" expenses to move or store covered property to prevent a loss caused by a covered peril.
- b. **Time Limitation** - This coverage applies for up to 365 days after the property is first moved. Also, this coverage does not extend past the date on which this policy expires.
- c. **Limit** - The most "we" pay in any one occurrence for expenses to move or store covered property to prevent a loss is \$1,000.
- d. **This Is A Separate Limit** - The "limit" for Emergency Removal Expenses is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

### 5. Fraud and Deceit

- a. **Coverage** - "We" cover theft of covered property when "you", "your" agents, customers, or consignees are fraudulently induced to part with the covered property:
  - (1) to persons who falsely represent themselves as the proper persons to receive the property; or
  - (2) by the acceptance of fraudulent bills of lading or shipping receipts.
- b. **Limit** - The most "we" pay in any one occurrence for theft of covered property under this Coverage Extension is \$1,000.

- 6. **Mechanical Breakdown Coverage** - "We" pay for loss to covered property caused by "mechanical breakdown".



**SUPPLEMENTAL COVERAGES****Provisions That Apply To Supplemental Coverages**

- The following Supplemental Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

However, if no "limit" is indicated for a Supplemental Coverage, coverage is provided up to the full "limit" for the applicable covered property unless a different "limit" is indicated on the "schedule of coverages".

Unless otherwise indicated, a "limit" for a Supplemental Coverage provided below is separate from, and not part of, the applicable "limit" for coverage described under Property Covered.

The "limit" available for coverage described under a Supplemental Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for a Supplemental Coverage and the "limit" for coverage described under Property Covered.

The "limit" provided under a Supplemental Coverage cannot be combined or added to the "limit" for any other Supplemental Coverage or Coverage Extension including a Supplemental Coverage or Coverage Extension that is added to this policy by endorsement.

The following coverage extensions are not subject to and not considered in applying coinsurance conditions.

**1. Acquired Locations**

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to covered property at locations that "you" acquire during the policy period.
- b. **Limit** - "We" pay up to \$250,000 for covered property at locations that "you" acquire.
- c. **Time Limitation** - This coverage applies for up to 60 days from the date "you" acquire the location or until "you" report the acquired location to "us", whichever occurs first.

However, this coverage does not go beyond the end of the policy period.

- d. **Additional Premium** - "You" must pay any additional premium due from the date "you" acquire the location.

2. **Earthquake Coverage** - If coverage is indicated on the "schedule of coverages", "we" cover direct physical loss caused by earthquake and volcanic eruption to covered property while at a premises described on the "schedule of coverages".

3. **Flood Coverage** - If coverage is indicated on the "schedule of coverages", "we" cover direct physical loss caused by "flood" to covered property while at a premises described on the "schedule of coverages".

**4. Newly Purchased or Leased Hardware**

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to additional "hardware" including pre-installed "programs and applications" that "you" purchase or lease during the policy period.

- b. **Limit** - The most that "we" pay for any loss under this additional coverage is the least of:

- (1) the actual cash value of the covered property; or
- (2) \$250,000.

- c. **Time Limitation** - "We" extend coverage to the additional "hardware" that "you" purchase or lease for up to 60 days.

This supplemental coverage will end when any of the following first occur:

- (1) this policy expires;
- (2) 60 days after "you" obtain the additional "hardware"; or
- (3) "you" report the additional "hardware" to "us".

- d. **Additional Premium** - "You" must pay any additional premium due from the date "you" purchase or lease the additional "hardware".

**5. Off-Site Computers**

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to covered property in the custody of "you", "your" officers, "your" partners, or "your" employees, while:

- (1) at "your" residence or the residence of "your" officers, partners, or employees;
- (2) temporarily at a premises that is not described on the "schedule of coverages"; or
- (3) in transit between a:
  - (a) residence or temporary premises; and
  - (b) premises described on the "schedule of coverages".

- b. **Limit** - The most "we" pay in any one occurrence for loss to off-site covered property is \$2,500.

**6. Pollutant Cleanup and Removal**

- a. **Coverage** - "We" pay "your" expense to extract "pollutants" from land or water if the discharge, dispersal, seepage, migration, release, or escape of the "pollutants" is caused by a covered peril that occurs during the policy period.
- b. **Time Limitation** - The expenses to extract "pollutants" are paid only if they are reported to "us" in writing within 180 days from the date the covered peril occurs.
- c. **We Do Not Cover** - "We" do not pay the cost of testing, evaluating, observing, or recording the existence, level, or effects of "pollutants".  
However, "we" pay the cost of testing which is necessary for the extraction of "pollutants" from land or water.
- d. **Limit** - The most "we" pay for each location is \$10,000 for the sum of all such expenses arising out of a covered peril occurring during each separate 12-month period of this policy.

**7. Property In Transit**

- a. **Coverage** - "We" cover direct physical loss to covered property caused by a covered peril while in transit.
- b. **Limit** - The most "we" pay in any one occurrence for loss to covered property in transit is \$5,000.

**8. Proprietary Programs and Data Records**

- a. **Coverage** - "We" cover the cost of research or other expenses necessary to reproduce, replace, or restore lost files or codes on lost or damaged "data records" and "proprietary programs" and similar property of others that is in "your" care, custody, or control.
- b. **Coverage Limitations** - "We" only cover "data records", "proprietary programs", and similar property of others:
  - (1) while at a premises described on the "schedule of coverages"; and
  - (2) if the cost of research or other expenses necessary to reproduce, replace, or restore lost files or codes are incurred due to a direct physical loss caused by a covered peril to "data records" and "proprietary programs".
- c. **Limit** - The most "we" pay in any one occurrence for "data records" and "proprietary programs" is \$5,000.

**9. Rewards**

- a. **Coverage** - "We" pay for reward information that leads to a conviction for:

- (1) arson,
- (2) theft, or
- (3) vandalism including, but not limited to, "computer hacking" and "computer virus".

The conviction must involve a covered loss caused by arson, theft, or vandalism.

- b. **Limit** - The most "we" pay in any one occurrence for reward information is \$1,000.
- c. **Limit Is Not Increased By The Number of Persons Providing Information** - The amount "we" pay is not increased by the number of persons involved in providing the information.

**10. Sewer Backup and Water Below the Surface**  
- If coverage is indicated on the "schedule of coverages", "we" cover direct physical loss caused by:

- a. water that backs up through a sewer or drain; or
- b. water below the surface of the ground, including but not limited to water that exerts pressure on or flows, seeps, or leaks through or into a described premises.

**11. Software Storage**

- a. **Coverage** - "We" cover direct physical loss caused by a covered peril to duplicate and back-up "software" stored at a "software" storage location.
- b. **Coverage Condition** - Each "software" storage location must be in a separate building which is at least 100 feet away from a premises described on the "schedule of coverages".
- c. **Limit** - The most "we" pay in any one occurrence for loss to duplicate and back-up "software" is \$25,000.

**12. Virus and Hacking Coverage**

- a. **Coverage** - "We" cover direct physical loss to covered "hardware" and "software" caused by a "computer virus" or by "computer hacking".
- b. **We Do Not Cover** - "We" do not cover:
  - (1) loss of exclusive use of any "data records" or "proprietary programs" that have been copied, scanned, or altered;
  - (2) loss of or reduction in economic or market value of any "data records" or "proprietary programs" that have been copied, scanned, or altered;



- (3) theft from "your" "data records" or "proprietary programs" of confidential information through the observation of the "data records" or "proprietary programs" by accessing covered "hardware" or "your" computer network without any alteration or other physical loss or damage to the records or programs. Confidential information includes, but is not limited to, customer information, processing methods, or trade secrets; and

- (4) except as provided under the Supplemental Income Coverages, denial of access to or services from "your" "hardware" or "your" computer network.

- c. **Limit** - The most "we" pay in any one occurrence under this Supplemental Coverage is \$5,000.

The most "we" pay for all covered losses under this Supplemental Coverage during each separate 12-month period of this policy is \$10,000.

#### INCOME COVERAGE EXTENSIONS

**Provisions That Apply To Income Coverage Extensions** - The following Income Coverage Extensions indicate an applicable "limit" or limitation. This "limit" or limitation may also be shown on the "schedule of coverages".

If a different "limit" or limitation is indicated on the "schedule of coverages", that "limit" or limitation will apply instead of the "limit" or limitation shown below.

The following Income Coverage Extensions are part of and not in addition to the applicable Income Coverage "limit".

##### 1. Interruption by Civil Authority

- a. **Coverage** - "We" extend "your" coverage for earnings and extra expense to include loss sustained while access to premises described on the "schedule of coverages" is specifically denied by an order of civil authority.
- b. **Coverage Limitation** - The order of civil authority must be a result of direct physical loss of or damage to property, other than at a premises described on the "schedule of coverages" and must be caused by a covered peril.
- c. **Time Limitation** - Unless otherwise indicated on the "schedule of coverages", this coverage extension is limited to 30 consecutive days from the date of the order.

##### 2. Period of Loss Extension After Business Resumes

- a. **Coverage** - "We" extend "your" coverage for earnings to cover loss from the date the covered property that incurred the

loss is rebuilt, repaired, or replaced and "your" data processing operations are resumed until:

- (1) the end of 30 consecutive days (unless otherwise indicated on the "schedule of coverages"); or
- (2) the date "you" could reasonably resume "your" "business" to the conditions that would generate the earnings amount that would have existed had no loss or damage occurred,

whichever is earlier.

- b. **Coverage Limitation** - Loss of earnings must be caused by direct physical loss of or damage to property at a premises described on the "schedule of coverages" as a result of a covered peril.

#### SUPPLEMENTAL INCOME COVERAGES

**Provisions That Apply To Supplemental Income Coverages** - Unless otherwise indicated, the following Supplemental Income Coverages apply separately to each premises described on the "schedule of coverages".

The following Supplemental Income Coverages indicate an applicable "limit". This "limit" may also be shown on the "schedule of coverages".

If a different "limit" is indicated on the "schedule of coverages", that "limit" will apply instead of the "limit" shown below.

Unless otherwise indicated, a "limit" for a Supplemental Income Coverage provided below is separate from, and not part of, the applicable Income Coverage "limit". The "limit" available for coverage described under a Supplemental Income Coverage:

- a. is the only "limit" available for the described coverage; and
- b. is not the sum of the "limit" indicated for a Supplemental Income Coverage and the Income Coverage "limit".

The "limit" provided under a Supplemental Income Coverage cannot be combined or added to the "limit" for any other Supplemental Income Coverage or Income Coverage Extension.

##### 1. Acquired Locations

- a. **Coverage** - "We" extend "your" coverage for earnings and extra expense to include direct physical loss to covered property while at locations that "you" acquire during the policy period.
- b. **Time Limitation** - This coverage applies for up to 60 days from the date "you" acquire the location or until "you" report the acquired location to "us", whichever occurs first.

However, this coverage does not go beyond the end of the policy period.

c. **Additional Premium** - "You" must pay any additional premium due from the date "you" acquire the location.

d. **Limit** - The most "we" pay in any one occurrence for loss of earnings and incurred extra expense at each newly acquired location is \$25,000.

2. **Earthquake Coverage** - If coverage is indicated on the "schedule of coverages", "we" cover direct physical loss caused by earthquake and volcanic eruption to covered property while at a premises described on the "schedule of coverages".

3. **Flood Coverage** - If coverage is indicated on the "schedule of coverages", "we" cover direct physical loss caused by "flood" to covered property while at a premises described on the "schedule of coverages".

4. **Off Premises Utility Service Interruption**

a. **Coverage** - Coverage for earnings and/or extra expense is extended to loss of earnings or extra expenses that "you" incur during the "restoration period" when "your" data processing operations are interrupted due to the interruption of an off premises utility services when the interruption is a result of direct physical loss or damage by a covered peril to property that is not located at a premises described on the "schedule of coverages" and that is owned by a utility, a landlord, or another supplier who provides "you" with:

- (1) power, gas;
- (2) telecommunications, including but not limited to Internet access; or
- (3) water.

b. **Overhead Transmission Lines Exclusion** - If the "schedule of coverages" indicates that overhead transmission lines are excluded, coverage under this extension does not include loss to overhead transmission lines that deliver utility service to "you". Overhead transmission lines include, but are not limited to:

- (1) overhead transmission and distribution lines;
- (2) overhead transformers and similar equipment; and
- (3) supporting poles and towers.

c. **Waiting Period Limitation** - Unless otherwise indicated on the "schedule of coverages", "we" do not pay for "your" loss of earnings under this Supplemental Income Coverage until after the first 24

hours following the direct physical loss of or damage to the property owned by a utility, a landlord, or another supplier. This waiting period does not apply to extra expenses that "you" incur.

d. **Limit** - The most "we" pay in any one occurrence under this Supplemental Income Coverage is \$10,000.

5. **Property In Transit**

a. **Coverage** - Coverage for earnings is extended to loss of earnings during the "restoration period" when "your" "business" is interrupted as a result of a direct physical loss, caused by a covered peril, to covered property in transit.

b. **Limit** - The most "we" pay in any one occurrence under this Supplemental Income Coverage is \$5,000.

6. **Sewer Backup and Water Below the Surface** - If coverage is indicated on the "schedule of coverages", "we" extend "your" coverage for earnings and extra expense to include direct physical loss to covered property caused by:

- a. water that backs up through a sewer or drain; or
- b. water below the surface of the ground, including but not limited to water that exerts pressure on or flows, seeps, or leaks through or into a described premises.

7. **Virus and Hacking Coverage**

a. **Coverage** - Coverage for earnings and/or extra expense is extended to loss of earnings or extra expenses caused by a "computer virus" or by "computer hacking" that results in:

- (1) direct physical loss or damage to covered "software" and "hardware"; or
- (2) denial of access to or services from "your" "hardware" or "your" computer network.

b. **We Do Not Cover** - "We" do not cover loss of earnings or extra expenses under this Supplemental Income Coverage that results from:

- (1) loss of exclusive use of any "data records" or "proprietary programs" that have been copied, scanned, or altered;
- (2) loss of or reduction in economic or market value of any "data records" or "proprietary programs" that have been copied, scanned, or altered;

- (3) theft from "your" data records" or "proprietary programs" of confidential information through the observation of the "data records" or "proprietary programs" by accessing covered "hardware" or "your" computer network without any alteration or other physical loss or damage to the records or programs.

Confidential information includes, but is not limited to, customer information, processing methods, or trade secrets.

- c. **Waiting Period Limitation** - Unless otherwise indicated on the "schedule of coverages", "we" do not pay for "your" loss of earnings under this Supplemental Income Coverage until after the first 24 hours following the direct physical loss of or damage to "your" data processing operations. This waiting period does not apply to extra expenses that "you" incur.
- d. **Limit** - The most "we" pay in any one occurrence under this Supplemental Income Coverage is \$5,000.

The most "we" pay for all covered losses under this Supplemental Income Coverage during each 12-month period of this policy is \$15,000.

#### PERILS COVERED

"We" cover risks of direct physical loss unless the loss is limited or caused by a peril that is excluded.

#### PERILS EXCLUDED

1. "We" do not pay for loss or damage caused directly or indirectly by one or more of the following excluded causes or events. Such loss or damage is excluded regardless of other causes or events that contribute to or aggravate the loss, whether such causes or events act to produce the loss before, at the same time as, or after the excluded causes or events.
- a. **Civil Authority** - "We" do not pay for loss caused by order of any civil authority, including seizure, confiscation, destruction, or quarantine of property.
- "We" do pay for loss resulting from acts of destruction by the civil authority to prevent the spread of fire, unless the fire is caused by a peril excluded under this coverage.
- b. **Earth Movement** - Except as provided under Supplemental Coverages - Earthquake Coverage, "we" do not pay for loss caused by any earth movement (other than "sinkhole collapse")-or caused by eruption, explosion, or effusion of a volcano. Earth movement includes, but is not limited to: earthquake; landslide; mudflow; mudslide; mine subsidence; or sinking, rising, or shifting of earth.

"We" do cover direct loss by fire, explosion, or "volcanic action" resulting from either earth movement or eruption, explosion, or effusion of a volcano.

- c. **Flood** - Except as provided under Supplemental Coverages - Flood Coverage, "we" do not pay for loss caused by "flood". However, "we" do cover the resulting loss if fire, explosion, or sprinkler leakage results.
- d. **Nuclear Hazard** - "We" do not pay for loss caused by or resulting from a nuclear reaction, nuclear radiation, or radioactive contamination (whether controlled or uncontrolled; whether caused by natural, accidental, or artificial means). Loss caused by nuclear hazard is not considered loss caused by fire, explosion, or smoke. Direct loss by fire resulting from the nuclear hazard is covered.
- e. **Sewer Backup and Water Below the Surface** - Except as provided under Supplemental Coverages - Sewer Backup and Water Below the Surface, "we" do not pay for loss caused by or resulting from:

- (1) water that backs up through a sewer or drain; or
- (2) water below the surface of the ground, including but not limited to water that exerts pressure on or flows, seeps, or leaks through or into a building or structure.

But if sewer backup and water below the surface results in fire, explosion, or sprinkler leakage, "we" cover the loss or damage caused by that fire, explosion, or sprinkler leakage.

- f. **War And Military Action** - "We" do not pay for loss caused by:
- (1) war, including undeclared war or civil war; or
  - (2) a warlike action by a military force, including action taken to prevent or defend against an actual or expected attack, by any government, sovereign, or other authority using military personnel or other agents; or
  - (3) insurrection, rebellion, revolution, or unlawful seizure of power including action taken by governmental authority to prevent or defend against any of these.

With regard to any action that comes within the "terms" of this exclusion and involves nuclear reaction, nuclear radiation, or radioactive contamination, this War and Military Action Exclusion will apply in place of the Nuclear Hazard Exclusion.

2. "We" do not pay for loss or damage that is caused by or results from one or more of the following:

- a. **Computer Virus or Computer Hacking** - Except as provided under Supplemental Coverages - Virus and Hacking Coverage and Supplemental Income Coverages - Virus and Hacking Coverage, "we" do not pay for:

(1) any direct or indirect loss or damage; or

(2) loss of access, loss of use, or loss of functionality

caused by a "computer virus" or by "computer hacking".

- b. **Criminal, Fraudulent, or Dishonest Acts** - "We" do not pay for loss caused by or resulting from criminal, fraudulent, dishonest, or illegal acts alone or in collusion with another by:

(1) "you";

(2) others who have an interest in the property;

(3) others to whom "you" entrust the property;

(4) "your" partners, officers, directors, trustees, or joint adventurers; or

(5) the employees or agents of (1), (2), (3), or (4) above, whether or not they are at work.

This exclusion does not apply to acts of destruction by "your" employees, but "we" do not pay for theft by employees.

This exclusion does not apply to covered property in the custody of a carrier for hire.

- c. **Electrical and Power Supply Disturbance** - "We" do not pay for loss caused by "electrical disturbance" or "power supply disturbance" if the cause of such disturbance took place more than 500 feet from the premises where the loss occurred.

However, if disturbance coverage beyond 500 feet is indicated on the "schedule of coverages", then the Electrical and Power Supply Disturbance exclusion described above is deleted.

- d. **Loss of Use** - "We" do not pay for loss caused by or resulting from loss of use, business interruption, delay, or loss of market.

This exclusion does not apply to the coverages described under Income Coverages, Income Coverage Extensions, and Supplemental Income Coverages.

- e. **Pollutants** - "We" do not pay for loss caused by or resulting from release, discharge, seepage, migration, dispersal, or escape of "pollutants" unless the release, discharge, seepage, migration, dispersal, or escape is caused by a "specified peril". "We" do pay for any resulting loss caused by a "specified peril".

- f. **Temperature/Humidity** - Except as provided under Utility Interruption, "we" do not pay for loss to covered property caused by:

(1) dryness, dampness, humidity; or

(2) changes in or extremes of temperature.

However, "we" do pay for loss to covered property that results from a direct physical loss, caused by a covered peril, to the air conditioning system that services covered "hardware".

- g. **Voluntary Parting** - Except as provided under Coverage Extensions - Fraud and Deceit, "we" do not pay for loss caused by or resulting from voluntary parting with title to or possession of any property because of any fraudulent scheme, trick, or false pretense.

3. "We" do not pay for loss or damage if one or more of the following exclusions apply to the loss. But if loss by a covered peril results, "we" will pay for the resulting loss.

- a. **Contamination, Deterioration, Rust, or Corrosion** - "We" do not pay for loss caused by contamination or deterioration including corrosion, decay, fungus, mildew, mold, rot, rust, or any quality, fault, or weakness in covered property that causes it to damage or destroy itself.

This exclusion does not apply to loss caused by "mechanical breakdown".

- b. **Wear and Tear or Obsolescence** - "We" do not pay for loss caused by wear and tear, depreciation, or obsolescence.

4. "We" do not pay for loss of earnings or extra expenses, as described under Income Coverage, caused by or resulting from one or more of the following:

- a. **Error or Omission in Programming** - "We" do not pay for extra expense caused by an error or omission in programming or incorrect instructions to "hardware".

- b. **Leases, Licenses, Contracts, or Orders** - "We" do not cover any increase in loss due to the suspension, lapse, or cancellation of leases, licenses, contracts, or orders.



However, "we" do cover loss during the "restoration period" if the suspension, lapse, or cancellation results directly from the interruption of "your" "business".

"We" do not cover any extra expense caused by the suspension, lapse, or cancellation of leases, licenses, contracts, or orders beyond the "restoration period".

- c. **Strikes, Protests, and Other Interference** - "We" do not cover any increase in loss due to interference by strikers or other persons at a premises described on the "schedule of coverages". This applies to interference with rebuilding, repairing, or replacing the property or with resuming "your" "business".
- d. **Utility Failure** - Except as provided under Supplemental Income Coverages - Off Premises Utility Service Interruption, "we" do not pay for loss caused by or resulting from the failure of a utility to supply electrical power or other utility service to a described premises, if the failure takes place away from the described premises. "We" do not pay for loss caused by or resulting from the failure of a utility to supply service regardless of the cause of failure.
- e. **Interruption of Web Site** - "We" do not pay for loss caused by or resulting from the interruption of "your" Web site. "We" do not pay for loss caused by or resulting from the interruption of "your" Web site regardless of the cause of the interruption.

#### WHAT MUST BE DONE IN CASE OF LOSS

1. **Notice** - In case of a loss, "you" must:
  - a. give "us" or "our" agent prompt notice including a description of the property involved ("we" may request written notice); and
  - b. give notice to the police when the act that causes the loss is a crime.
2. **You Must Protect Property** - "You" must take all reasonable steps to protect covered property at and after an insured loss to avoid further loss.
  - a. **Payment of Reasonable Costs** - "We" do pay the reasonable costs incurred by "you" for necessary repairs or emergency measures performed solely to protect covered property from further damage by a peril insured against if a peril insured against has already caused

a loss to covered property. "You" must keep an accurate record of such costs.

- b. **We Do Not Pay** - "We" do not pay for such repairs or emergency measures performed on property which has not been damaged by a peril insured against. This does not increase "our" "limit".
3. **Proof of Loss** - "You" must send "us" within 60 days after "our" request, a signed, sworn proof of loss. This must include the following information:
    - a. the time, place, and circumstances of the loss;
    - b. other policies of insurance that may cover the loss;
    - c. "your" interest and the interests of all others in the property involved, including all mortgages and liens;
    - d. changes in title of the covered property during the policy period; and
    - e. estimates, specifications, inventories, and other reasonable information that "we" may require to settle the loss.
  4. **Intent To Continue Business - Income Coverage** - If "you" intend to continue "your" "business", "you" must resume all or part of "your" "business" as soon as possible.
  5. **Examination** - "You" must submit to examination under oath in matters connected with the loss as often as "we" reasonably request and give "us" sworn statements of the answers. If more than one person is examined, "we" have the right to examine and receive statements separately and not in the presence of others.
  6. **Records** - "You" must produce records, including tax returns and bank microfilms of all canceled checks relating to value, loss, and expense and permit copies and extracts to be made of them as often as "we" reasonably request.
  7. **Damaged Property** - "You" must exhibit the damaged and undamaged property as often as "we" reasonably request and allow "us" to inspect or take samples of the property.
  8. **Volunteer Payments** - "You" must not, except at "your" own expense, voluntarily make any payments, assume any obligations, pay or offer any rewards, or incur any other expenses except as respects protecting property from further damage.
  9. **Abandonment** - "You" may not abandon the property to "us" without "our" written consent.
  10. **Cooperation** - "You" must cooperate with "us" in performing all acts required by this policy.

**VALUATION****1. Hardware** - The following is the value of "hardware":**a. Replacement Cost** - The value of "hardware" will be based on replacement cost without any deduction for depreciation unless Actual Cash Value is indicated on the "schedule of coverages".**(1) Replacement Cost Limitation** - The replacement cost is limited to the cost of repair or replacement with similar materials on the same site and used for the same purpose. The payment will not exceed the amount "you" spend to repair or replace the damaged or destroyed property.**(2) Replacement Cost Does Not Apply Until Repair Or Replacement** - Replacement cost valuation does not apply until the damaged or destroyed property is repaired or replaced.**(3) Time Limitation** - "You" may make a claim for actual cash value before repair or replacement takes place, and later for the replacement cost if "you" notify "us" of "your" intent within 180 days after the loss.**b. Actual Cash Value** - When Actual Cash Value is indicated on the "schedule of coverages", the value of "hardware" will be based on the actual cash value at the time of the loss with a deduction for depreciation.**2. Software** - The following is the value of "software".**a. Programs and Applications****(1) Cost To Reinstall** - The value of "programs and applications" will be based on the cost to reinstall the "programs or applications" from the licensed discs that were originally used to install the programs or applications.**(2) If The Original Discs Are Lost** - If the original licensed discs are lost, damaged, or can no longer be obtained, the value of "programs and applications" will be based on the cost of the most current version of the "programs or applications".**b. Proprietary Programs****(1) Cost of Reproduction** - The value of "proprietary programs" will be based on the cost of reproduction from duplicate copies. The cost of reproduction includes, but is not limited to, the cost of labor to copy or transcribe from duplicate copies.**(2) If Duplicate Copies Do Not Exist** - If duplicate copies do not exist, the value of "proprietary programs" will be based on the cost of research or other expenses necessary to reproduce, replace, or restore lost "proprietary programs".**c. Data Records****(1) Cost of Reproduction** - The value of "data records" will be based on the cost of reproduction from duplicate copies. The cost of reproduction includes, but is not limited to, the cost of labor to copy or transcribe from duplicate copies.**(2) If Duplicate Copies Do Not Exist** - If duplicate copies do not exist, the value of "data records" will be based on the cost of research or other expenses necessary to reproduce, replace, or restore lost files, documents, and records.**d. Media** - The value of "media" will be based on the cost to repair or replace the "media" with material of the same kind or quality.**3. Pair Or Set****a. Reasonable Proportion of Value** - The value of a lost or damaged article which is part of a pair or set is based on a reasonable proportion of the value of the entire pair or set. The loss is not considered a total loss of the pair or set.**b. Provision Does Not Apply To Software** - The Pair or Set provision does not apply to "software" that comes in sets. If part of a "software" set cannot be replaced, the loss is considered a total loss of the set.**4. Loss To Parts** - The value of a lost or damaged part of an item that consists of several parts when it is complete is based on the value of only the lost or damaged part or the cost to repair or replace it.**5. Earnings****a. Determining An Earnings Loss** - In determining an earnings loss "we" consider:**(1)** the experience of "your" "business" before the loss and the probable experience during the time of interruption had no loss occurred;**(2)** "your" continuing operating expenses normally incurred by "your" "business", including, but not limited to, payroll expense necessary to resume "business" to a similar level of service that existed before the occurrence of direct physical loss or damage; and



(3) pertinent sources of information and reports including:

- (a) "your" accounting procedures and financial records;
- (b) bills, invoices, and other vouchers;
- (c) contracts, deeds, and liens;
- (d) reports on feasibility and status; and
- (e) records documenting "your" budget and marketing objectives and results.

b. **Conditions For Non-Payment of Increased Loss** - "We" do not pay for any increase in loss due to "your" failure to use reasonable efforts to resume all or part of "your" "business". This includes making use of other locations and property to reduce the loss.

c. **Loss Payment If You Do Not Resume Your Business** - If "your" "business" is not resumed as soon as possible, or if it is not resumed at all, the value of loss payment is based on the period of time it would have otherwise taken to resume "your" "business" as soon as possible.

6. **Extra Expense** - In determining extra expenses that "you" have incurred, "we" consider the salvage value of any property bought for temporary use during the "restoration period" and it will be deducted from the amount of loss determined for extra expense.

#### HOW MUCH WE PAY

1. **Insurable Interest** - "We" do not cover more than "your" insurable interest in any property.
2. **Earthquake Period** - All earthquakes or volcanic eruptions that occur within a 168-hour period will be considered a single event. This 168-hour period is not limited by the policy expiration.
3. **Deductible** - "We" pay only that part of "your" loss over the deductible amount indicated on the "schedule of coverages" in any one occurrence.

The deductible may be shown as either an amount or a percentage. When shown as a percentage, the deductible is that percentage of the value of the covered property at the time of the loss.

4. **Loss Settlement Terms** - Subject to paragraphs 1., 2., 3., 5., 6., 7., 8., 9., and 10. under How Much We Pay, "we" pay the lesser of:

- a. the amount determined under Valuation;
- b. the cost to repair, replace, or rebuild the property with material of like kind and quality to the extent practicable; or

c. the "limit" that applies to the covered property.

#### 5. Coinsurance, Hardware, and Software

a. **When Coinsurance Applies** - "We" only pay a part of the loss if the "limit" is less than the percentage of the value of the covered property that is indicated on the "schedule of coverages".

b. **How We Determine Our Part of The Loss** - "Our" part of the loss is determined using the following steps:

- (1) multiply the percent indicated on the "schedule of coverages" by the value of the covered property at the time of loss;
- (2) divide the "limit" for covered property by the result determined in 5.a. above;
- (3) multiply the total amount of loss, after the application of any deductible, by the result determined in 5.b. above.

The most "we" pay is the amount determined in 5.c. above or the "limit", whichever is less. "We" do not pay any remaining part of the loss.

c. **If There Is More Than One Limit** - If there is more than one "limit" indicated on the "schedule of coverages" for this coverage part, this procedure applies separately to each "limit".

d. **If There Is Only One Limit** - If there is only one "limit" indicated on the "schedule of coverages" for this coverage, this procedure applies to the total of all covered property to which the "limit" applies.

e. **When Coinsurance Does Not Apply** - Conditions for coinsurance do not apply unless a coinsurance percentage is indicated on the "schedule of coverages".

#### 6. Coinsurance, Income Coverage Part

a. **When Coinsurance Applies** - "We" pay only a part of the loss if the "limit" is less than the coinsurance percentage multiplied by the sum of:

- (1) "your" net income (net profit or loss before income taxes); and
- (2) continuing operating expenses

projected for the 12 months following the inception of this policy or the last previous anniversary date of this policy (whichever is later), normally earned by "your" "business".

- b. **How We Determine Our Part of The Loss** - "Our" part of the loss is determined using the following steps:
- (1) multiply the coinsurance percentage by the sum of "your" net income and continuing operating expenses projected for the 12 months following the inception of this policy or the last previous anniversary date of this policy;
  - (2) divide the "limit" by the figure determined in (1) above;
  - (3) multiply the total amount of loss by the figure determined in (2) above.
- "We" pay the amount determined in (3) above or the "limit", whichever is less. "We" do not pay any remaining part of the loss.
- c. **When Coinsurance Does Not Apply** - Conditions for coinsurance do not apply:
- (1) unless a coinsurance percentage is indicated on the "schedule of coverages"; and
  - (2) to coverage for extra expense.
7. **Insurance Under More Than One Coverage** - If more than one coverage of this policy insures the same loss, "we" pay no more than the actual claim, loss, or damage sustained.
8. **Insurance Under More Than One Policy**
- a. **Proportional Share** - "You" may have another policy subject to the same "terms" as this policy. If "you" do, "we" will pay "our" share of the covered loss. "Our" share is the proportion that the applicable "limit" under this policy bears to the "limit" of all policies covering on the same basis.
  - b. **Excess Amount** - If there is another policy covering the same loss, other than that described above, "we" pay only for the amount of covered loss in excess of the amount due from that other policy, whether "you" can collect on it or not. But "we" do not pay more than the applicable "limit".
9. **Income Coverage Limit** - "We" pay no more than the Income Coverage "limit" indicated on the "schedule of coverages" for any one loss. Payment for earnings and extra expense combined does not exceed the "limit".
10. **Waiting Period**
- a. **Waiting Period Limitation** - If an Income Coverage waiting period is indicated on the "schedule of coverages", "we" do not pay for "your" loss of earnings until after

the first 24 hours (unless otherwise indicated on the "schedule of coverages") following the direct physical loss of or damage to covered property caused by a covered peril.

This waiting period does not apply to extra expenses that "you" incur.

- b. **Waiting Period Limitation For Civil Authority** - As regards coverage under Interruption by Civil Authority, coverage under this extension begins:
- (1) for earnings, 24 hours (unless otherwise indicated on the "schedule of coverages") after the time the order is issued and ends 30 consecutive days and 24 hours from the date of the order; and
  - (2) for extra expense, immediately after the time the order is issued, and ends 30 consecutive days and 24 hours from the date of the order.
- c. **Other Waiting Period Limitations** - The waiting period described under Off Premises Utility Service Interruption and Virus and Hacking Coverage is not deleted nor replaced by the terms of this provision.

## LOSS PAYMENT

### 1. Loss Payment Options

- a. **Our Options** - In the event of loss covered by this coverage form, "we" have the following options:
- (1) pay the value of the lost or damaged property;
  - (2) pay the cost of repairing or replacing the lost or damaged property;
  - (3) rebuild, repair, or replace the property with other property of equivalent kind and quality, to the extent practicable, within a reasonable time; or
  - (4) take all or any part of the property at the agreed or appraised value.
- b. **Notice of Our Intent To Rebuild, Repair, or Replace** - "We" must give "you" notice of "our" intent to rebuild, repair, or replace within 30 days after receipt of a duly executed proof of loss.

### 2. Your Losses

- a. **Adjustment and Payment of Loss** - "We" adjust all losses with "you". Payment will be made to "you" unless another loss payee is named in the policy.
- b. **Conditions For Payment of Loss** - An insured loss will be payable 30 days after:

- (1) a satisfactory proof of loss is received; and
- (2) the amount of the loss has been established either by written agreement with "you" or the filing of an appraisal award with "us".

### 3. Property of Others

- a. **Adjustment and Payment of Loss To Property of Others** - Losses to property of others may be adjusted with and paid to:
  - (1) "you" on behalf of the owner; or
  - (2) the owner.
- b. **We Do Not Have To Pay You If We Pay The Owner** - If "we" pay the owner, "we" do not have to pay "you". "We" may also choose to defend any suits arising from the owners at "our" expense.

### OTHER CONDITIONS

- 1. **Appraisal** - If "you" and "we" do not agree on the amount of the loss or the actual cash value of covered property, either party may demand that these amounts be determined by appraisal.

If either makes a written demand for appraisal, each will select a competent, independent appraiser and notify the other of the appraiser's identity within 20 days of receipt of the written demand. The two appraisers will then select a competent, impartial umpire. If the two appraisers are unable to agree upon an umpire within 15 days, "you" or "we" can ask a judge of a court of record in the state where the property is located to select an umpire.

The appraisers will then determine and state separately the amount of each loss.

The appraisers will also determine the value of covered property items at the time of the loss, if requested.

If the appraisers submit a written report of any agreement to "us", the amount agreed upon will be the amount of the loss. If the appraisers fail to agree within a reasonable time, they will submit only their differences to the umpire. Written agreement so itemized and signed by any two of these three sets the amount of the loss.

Each appraiser will be paid by the party selecting that appraiser. Other expenses of the appraisal and the compensation of the umpire will be paid equally by "you" and "us".

- 2. **Income Coverage (Appraisal)** - If "you" and "we" do not agree on the amount of net income (net profit or loss before income taxes), payroll expense, and operating expenses, these amounts may be determined by ap-

praisal in accordance with the provisions described above under 1. Appraisal.

- 3. **Benefit To Others** - Insurance under this coverage will not directly or indirectly benefit anyone having custody of "your" property.
- 4. **Conformity With Statute** - When a condition of this coverage is in conflict with an applicable law, that condition is amended to conform to that law.
- 5. **Estates** - This provision applies only if the insured is an individual.
  - a. **Your Death** - On "your" death, "we" cover the following as an insured:
    - (1) the person who has custody of "your" property until a legal representative is qualified and appointed; or
    - (2) "your" legal representative.

This person or organization is an insured only with respect to property covered by this coverage.

- b. **Policy Period Is Not Extended** - This coverage does not extend past the policy period indicated on the declarations.
- 6. **Misrepresentation, Concealment, or Fraud** - This coverage is void as to "you" and any other insured if, before or after a loss:
  - a. "you" or any other insured have willfully concealed or misrepresented:
    - (1) a material fact or circumstance that relates to this insurance or the subject thereof; or
    - (2) "your" interest herein.
  - b. there has been fraud or false swearing by "you" or any other insured with regard to a matter that relates to this insurance or the subject thereof.
- 7. **Policy Period** - "We" pay for a covered loss that occurs during the policy period.
- 8. **Recoveries** - If "we" pay "you" for the loss and lost or damaged property is recovered, or payment is made by those responsible for the loss, the following provisions apply:
  - a. "you" must notify "us" promptly if "you" recover property or receive payment;
  - b. "we" must notify "you" promptly if "we" recover property or receive payment;
  - c. any recovery expenses incurred by either are reimbursed first;
  - d. "you" may keep the recovered property but "you" must refund to "us" the amount of the claim paid, or any lesser amount to which "we" agree; and

- e. if the claim paid is less than the agreed loss due to a deductible or other limiting "terms" of this policy, any recovery will be pro rated between "you" and "us" based on "our" respective interest in the loss.
9. **Restoration of Limits** - Except as indicated under Virus and Hacking Coverage, a loss "we" pay under this coverage does not reduce the applicable "limits".
10. **Subrogation** - If "we" pay for a loss, "we" may require "you" to assign to "us" "your" right of recovery against others. "You" must do all that is necessary to secure "our" rights. "We" do not pay for a loss if "you" impair this right to recover.
- "You" may waive "your" right to recover from others in writing before a loss occurs.

11. **Suit Against Us** - No one may bring a legal action against "us" under this coverage unless:

- a. all of the "terms" of this coverage have been complied with; and
- b. the suit has been brought within two years after "you" first have knowledge of the loss.

If any applicable law makes this limitation invalid, then suit must begin within the shortest period permitted by law.

12. **Territorial Limits** - "We" cover property while it is in the United States of America, its territories and possessions, Canada, and Puerto Rico.

This endorsement changes the policy  
- PLEASE READ THIS CAREFULLY -

## VIRUS OR BACTERIA EXCLUSION

### DEFINITIONS

#### Definitions Amended

When "fungus" is a defined "term", the definition of "fungus" is amended to delete reference to a bacterium.

When "fungus or related perils" is a defined "term", the definition of "fungus or related perils" is amended to delete reference to a bacterium.

### PERILS EXCLUDED

The additional exclusion set forth below applies to all coverages, coverage extensions, supplemental coverages, optional coverages, and endorsements that are provided by the policy to which this endorsement is attached, including, but not limited to, those that provide coverage for property, earnings, extra expense, or interruption by civil authority.

1. The following exclusion is added under Perils Excluded, item 1.:

#### Virus or Bacteria

"We" do not pay for loss, cost, or expense caused by, resulting from, or relating to any virus, bacterium, or other microorganism that causes disease, illness, or physical distress or that is capable of causing disease, illness, or physical distress.

This exclusion applies to, but not limited to, any loss, cost, or expense as a result of:

- a. any contamination by any virus, bacterium, or other microorganism; or
- b. any denial of access to property because of any virus, bacterium, or other microorganism.

2. **Superseded Exclusions** - The Virus or Bacteria exclusion set forth by this endorsement supersedes the "terms" of any other exclusions referring to "pollutants" or to contamination with respect to any loss, cost, or expense caused by, resulting from, or relating to any virus, bacterium, or other microorganism that causes disease, illness, or physical distress or that is capable of causing disease, illness, or physical distress.

### OTHER CONDITIONS

#### Other Terms Remain In Effect

The "terms" of this endorsement, whether or not applicable to any loss, cost, or expense, cannot be construed to provide coverage for a loss, cost, or expense that would otherwise be excluded under the policy to which this endorsement is attached.